

At 12 o'clock and 45 minutes a. m. Mr. STECK entered the Chamber and answered to his name.

Mr. NEELY. Mr. President, I offer the following order:

IN THE SENATE OF THE UNITED STATES.

Whereas under the rules of the Senate a call of the Senate has been ordered; and

Whereas the following-named Senators are absent without leave of the Senate, to wit (their names to be filled in):

Whereas it is necessary to compel the attendance of said absent Senators in order that the Senate may proceed to the transaction of its business: Therefore it is

Ordered, That the Sergeant at Arms be, and he is hereby, directed to compel the attendance on the Senate of said named absent Senators, unless they be ill; and it is further

Ordered, That warrants for the arrest of said Senators be forthwith issued under the signature of the Presiding Officer, attested by the Secretary, and that the Sergeant at Arms be, and he hereby is, directed to execute such warrants forthwith by arresting each of said named absent Senators and bringing them, and each of them, before the bar of the Senate; and that he make due return to the Senate of the execution of said warrants; and that this order shall be continuing until fully executed unless otherwise ordered by the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the order proposed by the Senator from West Virginia.

Mr. BRUCE. Mr. President, is that debatable?

The PRESIDENT pro tempore. The Chair will hold that the order offered by the Senator from West Virginia is in line with the two previous motions entertained and carried by the Senate, the first for requesting and the second for compelling the attendance of Senators, and therefore that is not debatable pending the arrival of a quorum.

The question is upon agreeing to the order offered by the Senator from West Virginia. [Putting the question:] The "ayes" have it, and the motion proposed by the Senator from West Virginia will be entered as an order of the Senate, and the Sergeant at Arms will proceed to act thereunder.

After a short delay,

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Wisconsin will state it.

Mr. LA FOLLETTE. Are the writs being prepared pursuant to the order just adopted by the Senate?

The PRESIDENT pro tempore. The Chair so understands.

After further delay,

Mr. NEELY (at 1 o'clock and 55 minutes a. m.). Mr. President, may we have some report from the Sergeant at Arms, who has just entered the Chamber, as to the progress he is making in arresting absent Senators?

Sergeant at Arms BARRY. The Sergeant at Arms reports that an order of arrest has been prepared, certified, and signed by the President of the Senate, and that under it the order of the Senate is being carried out as rapidly as possible, which is not very rapidly. Senator GOODING has been the first one to respond to this order of arrest, and he is on his way to the Senate now.

Mr. BRUCE. Mr. President, may I ask the Sergeant at Arms how many have been served, if he knows?

Sergeant at Arms BARRY. All will be served. I do not know how many have been served.

Mr. BRUCE. You do not know that enough have been served to constitute a quorum, added to the number who are here now?

Sergeant at Arms BARRY. I think not, sir.

At 2 o'clock and 10 minutes a. m. Mr. GOODING entered the Chamber and answered to his name.

At 2 o'clock and 20 minutes a. m. Mr. FERRIS entered the Chamber and answered to his name.

At 2 o'clock and 25 minutes a. m. Mr. REED of Missouri entered the Chamber and answered to his name.

Mr. REED of Missouri. Mr. President, I wish to understand whether or not I am under arrest. If I am, I want to purge myself of contempt.

Mr. COPELAND. I move that the Senator from Missouri be purged from contempt, if he is in contempt.

The PRESIDING OFFICER (Mr. ROBINSON of Indiana in the chair). In the opinion of the Chair, the Senator from Missouri is not under arrest.

Mr. REED of Missouri. Mr. President, I want to say, if the Senate is properly in session so that I may say anything, that I left here to-night before 6 o'clock with the information that the Senate would probably continue in session only for half or three-quarters of an hour and that no vote was expected. I had no notice whatever that there was a night session in progress or I would have been there.

When it shall be in order for me to speak I intend to express myself regarding what I think is an inexcusable outrage.

At 2 o'clock and 30 minutes a. m. Mr. HAWES entered the Chamber and answered to his name.

At 2 o'clock and 35 minutes a. m. Mr. PEPPER entered the Chamber and answered to his name.

At 2 o'clock and 36 minutes a. m. Mr. STANFIELD entered the Chamber and answered to his name.

At 2 o'clock and 40 minutes a. m. Mr. PINE, Mr. GOFF, and Mr. GOULD entered the Chamber and answered to their names.

The PRESIDENT pro tempore. Fifty Senators having answered to their names, a quorum is present.

[TO BE CONTINUED.]

## HOUSE OF REPRESENTATIVES

TUESDAY, February 22, 1927

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our heavenly Father, we praise Thee for Thy most merciful providences which have come to our beloved country. We thank Thee that we are citizens of this Republic. In grateful remembrance the past rises before us in bold and distinct outline. Years of national growth and development are evidences of Thy bounty. To-day we are the recipients of the chivalry and the traditions of our forefathers, who carried a millenium in their breasts and a Republic in their brains. They challenge our intellects and our hearts, because they still minister unto us and unto the world. May we feel the resistless spirit of him who we gratefully call "The Father of his Country." It was his balanced intellect, understanding, and his greatness of soul that steadied and preserved the infant Government against peril and prejudice. Be Thou the guardian of those principles which he so thoroughly incarnated; may they always be ours to cherish and to defend. Do Thou keep Thy hand upon the life and destiny of our land, and on this memorable day may our fellow citizens everywhere rededicate themselves to those fundamentals on which the sleepers of our great free institutions must ever rest for their glory and perpetuity. Through Jesus Christ our Lord. Amen.

The SPEAKER. Without objection, the reading of the Journal will be deferred until later in the day.

There was no objection.

### RECESS

Mr. TILSON. Mr. Speaker, I ask unanimous consent that the House stand in recess, to reassemble at the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Accordingly, at 12 o'clock and 7 minutes, the House stood in recess, at the call of the Speaker.

### EXERCISES AT JOINT SESSION ON WASHINGTON'S BIRTHDAY

At 12 o'clock and 10 minutes p. m. the Doorkeeper, Mr. Bert W. Kennedy, announced the Vice President of the United States and the Members of the United States Senate.

The Members of the House rose.

The Senate, preceded by the Vice President and by the Secretary and Sergeant at Arms, entered the Chamber.

The VICE PRESIDENT took the chair at the right of the Speaker and the Members of the Senate took the seats reserved for them.

The Doorkeeper announced:

The Chief Justice and the Associate Justices of the Supreme Court of the United States.

The ambassadors and ministers of foreign governments.

The chief naval officer, the chief of staff, and the commandant of marines.

The descendants of the family of George Washington.

The President and members of his Cabinet.

The SPEAKER. In pursuance of arrangements made by the joint committee, the Vice President will conduct further proceedings.

The VICE PRESIDENT. The Chair presents the vice chairman of the commission on the celebration of the two hundredth anniversary of the birth of George Washington, the Senator from Ohio [Mr. FESS].

Senator FESS. In accordance with the resolution creating the commission to study and recommend a proper celebration of the two hundredth anniversary of the birth of George Washington,

to be held in 1932, and in pursuance of a provision in the resolution that an address shall be delivered to the American people on the significance of such an event, it is most fitting that that address should be delivered by the one person whose voice is most powerful in the affairs of the world to-day, and therefore it is a great honor to present to official Washington now assembled in the Chamber of the National House of Representatives in the Capitol of the Republic the President of the United States, Calvin Coolidge. [Applause.]

President COOLIDGE. My fellow Americans, on the 22d day of February, 1932, America will celebrate the two hundredth anniversary of the birth of George Washington. Wherever there are those who love ordered liberty, they may well join in the observance of that event. Although he belongs to us, yet by being a great American he became a great world figure. It is but natural that here under the shadow of the stately monument rising to his memory, in the Capital City bearing his name, the country made independent by his military genius, and the Republic established by his statesmanship, should already begin preparations to proclaim the immortal honor in which we hold the Father of our Country.

In recognition of the importance of this coming anniversary, more than two years ago the Congress passed a joint resolution establishing a commission, which was directed to have this address made to the American people reminding them of the reason and purpose for holding the coming celebration. It was also considered that now would be an appropriate time to inform the public that this commission desires to receive suggestions concerning plans for the proposed celebration and to express the hope that the States and their political subdivisions under the direction of their governors and local authorities would soon arrange for appointing commissions and committees to formulate programs for cooperation with the Federal Government. When the plans begin to be matured they should embrace the active support of educational and religious institutions, of the many civic, social, and fraternal organizations, agricultural and trade associations, and of other numerous activities which characterize our national life.

It is greatly to be hoped that out of the studies pursued and the investigations made a more broad and comprehensive understanding and a more complete conception of Washington, the man, and his relation to all that is characteristic of American life may be secured. It was to be expected that he would be idealized by his countrymen. His living at a time when there were scanty reports in the public press, coupled with the inclination of early biographers, resulted in a rather imaginary character being created in response to the universal desire to worship his memory. The facts of his life were of record, but were not easily accessible. While many excellent books, often scholarly and eloquent, have been written about him, the temptation has been so strong to represent him as an heroic figure composed of superlatives that the real man among men, the human being subjected to the trials and temptations common to all mortals, has been too much obscured and forgotten. When we regard him in this character and have revealed to us the judgment with which he met his problems, we shall all the more understand and revere his true greatness. No great mystery surrounds him; he never relied on miracles. But he was a man endowed with what has been called uncommon common sense, with tireless industry, with a talent for taking infinite pains, and with a mind able to understand the universal and eternal problems of mankind.

Washington has come to be known to the public almost exclusively as the Virginia colonel who accompanied the unfortunate expedition of General Braddock, as the commander in chief of the Continental Army during the Revolutionary War, as the first President of the United States, and as the master of the beautiful estate at Mount Vernon. This general estimate is based to a large extent on the command he held in time of war and the public office he held in time of peace. A recital of his courage and patriotism, his loyalty and devotion, his self-sacrifice, his refusal to be king, will always arouse the imagination and inspire the soul of everyone who loves his country. Nothing can detract from the exalted place which this record entitles him to hold. But he has an appeal even broader than this, which to-day is equally valuable to the people of the United States. Not many of our citizens are to be called on to take high commands or to hold high public office. We are all necessarily engaged in the ordinary affairs of life. As a valuable example to youth and to maturity, the experience of Washington in these directions is worthy of much more attention than it has received.

We all share in the benefits which accrued from the independence he won and the free Republic he did so much to

establish. We need a diligent comprehension and understanding of the great principles of government which he wrought out, but we shall also secure a wide practical advantage if we go beyond this record, already so eloquently expounded, and consider him also as a man of affairs. It was in this field that he developed that executive ability which he later displayed in the camp and in the council chamber.

It ought always to be an inspiration to the young people of the country to know that from earliest youth Washington showed a disposition to make the most of his opportunities. He was diligently industrious—a most admirable and desirable, if seemingly uninteresting, trait. His father, who had been educated in England, died when his son was 11 years old. His mother had but moderate educational advantages. There were no great incentives to learning in Virginia in 1732, and the facilities for acquiring knowledge were still meager. The boy might well have grown up with very little education, but his eager mind and indomitable will led him to acquire learning and information despite the handicaps surrounding him.

His formal schooling, which was of a rather primitive character, ended at the age of 13. His copy and exercise books, still in existence, contain forms of bills, receipts, and like documents, showing he had devoted considerable time to that branch of his studies. He was preparing himself to be a practical business man. When his regular instruction ended, his education was just beginning. It continued up to his death, December 14, 1799. If ever there was a self-made man, it was George Washington. Through all his later years he was constantly absorbing knowledge from contact with men, from reading whenever time and facilities permitted, and from a wide correspondence.

When 16 he became a surveyor and for four years earned a living and much experience in that calling. Although considerable has been written about it, not many people think of our first President as an agriculturist. He prepared a treatise on this subject. Those who have studied this phase of his life tell us he was probably the most successful owner and director of an agricultural estate in his day. A visitor in 1785 declared "Washington's greatest pride was to be thought the first farmer in America." Toward the end of his life he wrote:

I am led to reflect how much more delightful to an undebauched mind is the task of making improvements on the earth than all the vain glory which can be acquired from ravaging it by the most uninterrupted career of conquests.

He always had a great affection for Mount Vernon. He increased his land holdings from 2,500 to over 8,000 acres, 3,200 of which he had under cultivation at one time.

His estate was managed in a thoroughly businesslike fashion. He kept a very careful set of account books for it, as he did for his other enterprises. Overseers made weekly statements showing just how much each laborer had been employed, what crops had been planted or gathered. While he was absent reports were sent to him, and he replied in long letters of instruction, displaying wonderful familiarity with details. He was one of the first converts to the benefits of scientific fertilization and to the rotation of crops, for that purpose making elaborate tables covering five-year periods. He overlooked no detail in carrying on his farm according to the practice of those days, producing on the premises most of the things needed there, even to shoes and textiles. He began the daily round of his fields at sunrise, and often removed his coat and helped his men in the work of the day.

He also showed his business ability by the skillful way in which he managed the considerable estates left to his two stepchildren by their father. So successfully was this done that John Parke Custis became, at the age of 21, the richest young man in the Old Dominion. Prussing tells us that Martha Custis was advised to get the ablest man in the colony to manage her estate and to pay him any salary within reason. And he adds: "That she chose wisely in marrying the young colonel, and got the best of a good bargain, is the opinion of many."

He was engaged in many business enterprises. That of the Dismal Swamp, comprising drainage and lumber operations south of Norfolk, was handled efficiently by Washington for five years subsequent to 1763. In addition to his land holdings, wisely chosen, the rise in value of which accounted in no small degree for his fortune, Washington participated in a number of real estate and transportation companies. As a private citizen he was constantly on the outlook for sound investments and for ways to increase his capital. In the purchase of frontier lands and in the promotion of plans for the building up and development of new parts of the country he was performing important public service.



Dr. Albert Bushnell Hart, distinguished historian and a member of our commission, says:

Washington has been criticized for buying up land warrants and holding on to his title in the face of squatters. Actually no American has ever done so much to open up vast tracts of land, first under the British, and then under the American flag, fitted to become the home of millions of American farmers.

After 13 years of effort Washington forced the British Government to give to the Virginia veterans of the French and Indian wars the 200,000 acres of western lands promised by the governor of that colony. His management and distribution of these bounties were carried out in an eminently efficient and satisfactory manner. He acquired two large farms in Maryland. During a trip in New York State in 1783 he saw the possibilities of a waterway from the sea to the Great Lakes by way of the Hudson River and the Mohawk Valley—the present route of a great barge canal. Because of his business vision he joined with General Clinton in the purchase of 6,000 acres near Utica.

To Washington, the man of affairs, we owe our national banks, for had he followed the advice of other leaders, great but less enlightened on matters of finance, the plans of Alexander Hamilton would not have been realized. As a result of the war the country was deeply in debt and had no credit, but the solution of our financial difficulties suggested by the first Secretary of the Treasury was opposed by those from rural communities. They argued that the large commercial cities would dominate to the detriment of other parts of the country. Both Jefferson, Secretary of State, and Randolph, Attorney General, in writing opposed the incorporation by Congress of a national bank. They were joined by Madison and Monroe. All argued against the constitutionality of this proposition. Hamilton answered their arguments fully in his famous opinion. But had the President not been a man of affairs, had he not been for many years a large holder of stock in the Bank of England, coming from the estate of Daniel Parke Custis, he might have yielded to the opposition. Because he knew something about bank accounts and bank credits the bill was signed and the foundation of our financial system laid.

Washington was also a stockholder in the Bank of Alexandria and in the Bank of Columbia at Georgetown. In his last will and testament he directed that such moneys as should be derived from the sale of his estate during the lifetime of Mrs. Washington should be invested for her in good bank stocks.

After his retirement from the Presidency in March, 1797, Washington spent more than two and a half happy years at Mount Vernon. In his last summer he made a will, one of the most remarkable documents of its kind of which we have record. Again he showed his versatility in disposing of his many properties under a variety of bequests and conditions without legal advice. It has been called an autobiographic will—it shows in its manifold provisions his charitable thoughtfulness for his dependents and his solicitude for the future welfare of his country.

As President he was always an exponent of sound and honest public finance. He advocated the payment of our debts in full to holders of record, and the assumption by the Nation of the debts incurred by the various States to carry on the Revolution. His support of financial integrity, because it was morally right, strengthened the Union.

This practical business ability and interest in broad and general affairs made him one of the first to realize that the future of the American Empire lay in the regions beyond the Alleghenies in the territory of the Ohio and the Mississippi. Because of this belief, he is said to have been the moving spirit in the first plans for the organization of our public lands. His association with the West may have started in the period 1749-1751, when he assisted his brother, Lawrence, in his various business enterprises, among them the Ohio Co., which had a grant of 500,000 acres of land on the east side of the Ohio River. The French having driven out the early British settlers who had started a fort where Pittsburgh now stands, Washington, at the age of 21, volunteered to head an expedition for its recovery. The comprehensive report of this young man was considered of enough importance to be sent from London to all the European capitals, by way of justifying Great Britain in making war upon France. In 1763 he organized the Mississippi Co. to take the place of the Ohio Co., which was one of the casualties of the war. He applied for a grant of 1,000,000 acres of land, though he did not receive it. But he made his own investments so that in the schedule of his property attached to his will we find western lands appraised at over \$400,000—along the Ohio, the Great Kanawha, in western Pennsylvania, in Kentucky, and in the Northwest Territory.

Having a vision of what the West meant in the future prosperity of the new Republic, Washington in 1784 journeyed out

into the wilds. His diary of the trip is filled with interest and enthusiasm over the possibilities of that region. Hulbert, who has made a study of it, calls him our first expansionist, the originator of the idea of possessing the West through commercial relations. "It was a pioneer idea, instinct with genius," this author writes, "and Washington's advocacy of it marks him as the first commercial American, the first man typical of the America that was to be." Due to his investments, he became the president of the James River Co. and of the Potomac River Co., organized in 1785 to look into the possibility of opening navigation through to the West. To the Potomac Co., which involved the first interstate commerce negotiations in this country, he devoted four years of service. It has been thought that these negotiations entered into by Washington led up almost directly to the calling of the Constitutional Convention. They revealed clearly the difficulty under the Articles of Confederation of accomplishing anything involving the welfare of all the States, and showed the need of a more strongly centralized national government. His ability as a business man was the strong support of his statesmanship. It made his political ideas intensely practical.

Washington's Atlantic-Mississippi waterway plan was never carried out. But his advocacy of it without doubt had much to do with preventing a break in the Union, which threatened serious consequences. The people of western North Carolina, now Tennessee, shut off from the east by mountains, had no outlet to the sea other than the Mississippi, and Spain, controlling the mouth of this river, levied heavy tribute on all commerce passing through it. Disappointed at the inability of the National Government to get concessions from Spain, they, in 1784, established a separate State and started negotiations for an association with that foreign country. This action was rescinded after Washington put forth his waterway plan.

That he should have been responsible in large measure for the opening of the West and for calling attention to the commercial advantages the country might derive therefrom is by no means the least of his benefactions to the Nation. He demonstrated that those who develop our resources, whether along agricultural, commercial, and industrial lines or in any other field of endeavor, are entitled to the approval, rather than the censure, of their countrymen.

Washington was a builder—a creator. He had a national mind. He was constantly warning his countrymen of the danger of settling problems in accordance with sectional interests. His ideas in regard to the opening of our western territory were thought out primarily for the benefit of the Nation. It has been said that he would have been "the greatest man in America had there been no Revolutionary War."

He was largely instrumental in selecting the site for our National Capital, influenced in no small degree by his vision of the commercial possibilities of this locality. It included his plan of the waterway to the West, through the Potomac, the Monongahela, and the Ohio Rivers, which he used to speak of as "the channel of commerce to the extensive and valuable trade of a rising empire." He, of course, could not foresee the development of railway transportation and the great ocean-going vessels, because of which the seat of our Government became separated from active contact with commerce and was left to develop as the cultural and intellectual center of the Nation. Due to the genius of L'Enfant, the great engineer, this city from the first has had a magnificent plan of development. Its adoption was due in no small degree to the engineering foresight and executive ability of Washington. By 1932 we shall have made much progress toward perfecting the ideal city planned by him in the closing days of the eighteenth century.

Washington had the ability to translate ideals into the practical affairs of life. He was interested in what he believed contributed to the betterment of every-day existence. Perhaps because he realized the deficiency of his own early education, he was solicitous to provide liberal facilities for the youth of the future. Because as a man of affairs he knew the every-day uses of learning, in an early message to the Congress and in his will he sought methods for the establishment of a national university. Even in his Farewell Address we find this exhortation:

"Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it is essential that public opinion should be enlightened."

He desired his system of education to be thoroughly American and thoroughly national. It was to support the people in a knowledge of their rights, in the creation of a republican spirit, and in the maintenance of the Union.

It was with the same clear vision that he looked upon religion. For him there was little in it of emotionalism. He placed

it on a firmer, more secure foundation, and stated the benefits which would accrue to his country as the results of faith in spiritual things. He recognized that religion was the main support of free institutions. In his Farewell Address he said:

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism who should labor to subvert these great pillars of human happiness—these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, Where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion.

Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle. It is substantially true that virtue or morality is a necessary spring of popular government. The rule indeed extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Without bigotry, without intolerance, he appeals to the highest spiritual nature of mankind. His genius has filled the earth. He has been recognized abroad as "the greatest man of our own or any age." He loved his fellow men. He loved his country. That he intrusted their keeping to a Divine Providence is revealed in the following prayer which he made in 1794:

Let us unite in imploring the Supreme Ruler of Nations to spread His holy protection over these United States; to turn the machinations of the wicked, to the confirming of our Constitution; to enable us at all times to root out internal sedition and put invasion to flight; to perpetuate to our country that prosperity which His goodness has already conferred; and to verify the anticipations of this Government being a safeguard of human rights.

He was an idealist in the sense that he had a very high standard of private and public honor. He was a prophet to the extent of being able to forecast with remarkable vision the growth of the Nation he founded and the changing conditions which it would meet. But essentially he was a very practical man. He analyzed the problems before him with a clear intellect. Having a thorough understanding, he attacked them with courage and energy, with patience and persistence. He brought things to pass. When Patrick Henry was asked in 1774 whom he thought was the greatest man in the Continental Congress he replied:

If you speak of eloquence, Mr. Rutledge, of South Carolina, is by far the greatest orator; but if you speak of solid information and sound judgment Colonel Washington is unquestionably the greatest man on that floor.

His accomplishments were great because of an efficiency which marked his every act and a sublime, compelling faith in the ultimate triumph of the right. As we study his daily life, as we read his letters, his diaries, his state papers, we come to realize more and more his wisdom, his energy, and his efficiency. He had the moral efficiency of an abiding religious faith, emphasizing the importance of the spiritual side of man, the social efficiency shown by his interest in his fellow men, and in his realization of the inherent strength of a people united by a sense of equality and freedom, the business efficiency of a man of affairs, of the owner and manager of large properties, the governmental efficiency of the head of a new Nation, who, taking an untried political system, made it operate successfully, of a leader able to adapt the relations of the Government to the people. He understood how to translate political theory into a workable scheme of government. He knew that we can accomplish no permanent good by going to extremes. The law of reason must always be applied. He followed Milton, who declared "law in a free nation hath ever been public reason," and he agreed with Burke that "men have no right to what is not reasonable."

It is a mark of a great man that he surrounds himself by great men. Washington placed in the most important positions in his Cabinet, Jefferson, with his advocacy of the utmost degree of local self-government and of State rights, and Hamilton, whose theories of a strong national government led him to advocate the appointment of State governors by the President. Either theory carried to the extreme soon would have brought disaster to what has proved the most successful experiment in liberty under proper governmental restraint in the history of the world.

It is due to his memory that we guard the sovereign rights of the individual States under our Constitution with the same solicitude that we maintain the authority of the Federal Government in all matters vital to our continued national existence.

Such is the background of a man performing the ordinary duties of life. As it was George Washington, of course he performed them extraordinarily well. The principles which he adopted in his early youth and maintained throughout his years are the source of all true greatness. Unless we understand this side of him we shall fail in our comprehension of his true character. It was because of this training that he was able to assume the leadership of an almost impossible cause, carry it on through a long period of discouragement and defeat, and bring it to a successful conclusion. In advance of all others, he saw that war was coming. With an Army that was never large and constantly shifting, poorly supported by a confederation inexperienced, inefficient, and lacking in almost all the essential elements of a government, he was victorious over the armies of seasoned troops commanded by Howe, Burgoyne, Clinton, and Cornwallis, supported by one of the most stable and solid of governments, possessed of enormous revenues and ample credit, representing the first military power of the world.

As an example of generalship, extending over a series of years from the siege of Boston to the fall of Yorktown, the Commander in Chief of the Continental Armies holds a position that is unrivaled in the history of warfare. He never wavered, he never faltered from the day he modestly undertook the tremendous task of leading a revolution to the day when with equal modesty he surrendered his commission to the representatives of the independent Colonies. He triumphed over a people in the height of their glory who had acknowledged no victor for 700 years.

Washington has come to personify the American Republic. He presided over the convention that framed our Constitution. The weight of his great name was the deciding factor in securing its adoption by the States. These results could never have been secured had it not been recognized that he would be the first President. When we realize what it meant to take 13 distracted Colonies, impoverished, envious, and hostile, and weld them into an orderly federation under the authority of a central government, we can form some estimate of the influence of this great man. But when we go further and remember that the Government which he did so much to bring into being not only did not falter when he retired from its administration, but, withstanding every assault, has constantly grown stronger with the passage of time and been found adequate to meet the needs of nearly 120,000,000 people occupying half a continent and constituting the greatest power the world has ever known, we can judge something of the breadth and soundness of his statesmanship.

We have seen many soldiers who have left behind them little but the memory of their conflicts, but among all the victors the power to establish among a great people a form of self-government which the test of experience has shown will endure was bestowed upon Washington, and Washington alone. Many others have been able to destroy. He was able to construct. That he had around him many great minds does not detract from his glory. His was the directing spirit without which there would have been no independence, no Union, no Constitution, and no Republic. His ways were the ways of truth. He built for eternity. His influence grows. His stature increases with the increasing years. In wisdom of action, in purity of character, he stands alone. We can not yet estimate him. We can only indicate our reverence for him and thank the Divine Providence which sent him to serve and inspire his fellow men. [Applause.]

#### AFTER THE RECESS

At 1 o'clock and 22 minutes p. m. the House was called to order by the Speaker.

#### THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

#### TWO HUNDREDTH ANNIVERSARY OF THE BIRTH OF GEORGE WASHINGTON

Mr. TILSON. Mr. Speaker, I offer the following concurrent resolution which I send to the desk and ask to have read, and ask for its present consideration.

The Clerk read as follows:

#### House Concurrent Resolution 57

Whereas the joint resolution of Congress approved December 2, 1924, created the United States Commission for the Celebration of the Two Hundredth Anniversary of the Birth of George Washington, composed of 19 commissioners, as follows:



The President of the United States; Presiding Officer of the Senate and the Speaker of the House of Representatives, ex officio; eight persons appointed by the President of the United States; four Senators and four Representatives, whose duty it is to prepare a plan or plans and a program signaling the two hundredth anniversary of the birth of George Washington, and to take such steps as may be necessary in the coordination and correlation of plans prepared by State commissions or by bodies created under appointment by the governors of the respective States and by representative civic bodies: Therefore

*Resolved by the House of Representatives (the Senate concurring),* That the Congress of the United States earnestly and respectfully invites the full cooperation of the legislatures and the chief executives of the respective States and Territories of the United States in the execution of the joint resolution of Congress creating the United States Commission for the Celebration of the Two Hundredth Anniversary of the Birth of George Washington in such manner as may seem to them most fitting to the end that the bicentennial anniversary of the birth of him who was "first in war, first in peace, and first in the hearts of his countrymen"—the pioneer, the soldier, the statesman, the husbandman, the exemplar of American citizenship—George Washington, may be commemorated in the year 1932 in such manner that future generations of American citizens may live according to the example and precepts of his exalted life and character and thus perpetuate the American Republic; and be it further

*Resolved,* That an engrossed copy of these resolutions be transmitted by the Clerk of the House of Representatives to the presiding officers of the Senate and House of Representatives of the legislature and to the chief executive of each State and Territory of the United States.

Mr. TILSON. Mr. Speaker, this resolution was prepared and approved by the George Washington Bicentennial Commission, and I present it at the request of that commission.

The SPEAKER. Is there objection to the present consideration of the concurrent resolution?

There was no objection.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Craven, its principal clerk, announced that the Senate had passed Senate bills of the following titles, in which the concurrence of the House is requested:

S. 4330. An act authorizing the Secretary of War to make settlement of the claim of the Franklin Ice Cream Co.; and

S. 4782. An act to remove a cloud on title.

#### SENATE BILLS REFERRED

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred as indicated below:

S. 4330. An act authorizing the Secretary of War to make settlement of the claim of the Franklin Ice Cream Co.; to the Committee on Claims.

S. 4782. An act to remove a cloud on title; to the Committee on the Public Lands.

#### URGENT DEFICIENCY APPROPRIATION BILL, 1927

Mr. WOOD. Mr. Speaker, I call up the conference report upon the bill (H. R. 16462) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Indiana calls up the conference report upon the urgent deficiency appropriation bill, and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement of the conferees.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 8, 9, and 10 to the bill (H. R. 16462) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 10.

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "Provided, That no part of this appropriation shall be available for paying any claim allowed in excess of \$75,000 until after the expiration of 60 days from the date upon which a report giving the name of the person to whom the refund is to be made, the amount of the refund, and a summary of the facts and the decision of the Commissioner of Internal Revenue is submitted to the Joint Committee on Internal Revenue Taxation"; and the Senate agree to the same.

WILL R. WOOD,  
LOUIS C. CRAMTON,  
JOSEPH W. BYRNS,

*Managers on the part of the House.*

F. E. WARREN,  
CHARLES CURTIS,  
LEE S. OVERMAN,

*Managers on the part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate Nos. 8, 9, and 10 to the bill (H. R. 16462) entitled "An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, and to provide urgent supplemental appropriations for the fiscal year ending June 30, 1927, and for other purposes," submit the following statement in explanation of the action agreed upon by the conference committee and submitted in the accompanying conference report:

On No. 8: In connection with the appropriation of \$175,000,000 for refunding taxes illegally collected, the Senate inserted the following limitation:

*Provided,* That no part of this appropriation shall be used to pay any claim in excess of \$50,000 until such claim shall be approved by the Comptroller General of the United States in accordance with existing law.

In this report herewith submitted, the House has receded from its disagreement to the Senate amendment and agreed thereto with an amendment substituting for the language of the Senate the following limitation:

*Provided,* That no part of this appropriation shall be available for paying any claim allowed in excess of \$75,000 until after the expiration of 60 days from the date upon which a report giving the name of the person to whom the refund is to be made, the amount of the refund, and a summary of the facts and decision of the Commissioner of Internal Revenue is submitted to the joint committee on internal-revenue taxation.

On No. 9: Makes a verbal correction in the text of the bill caused by the insertion of amendment No. 8.

On No. 10: Restores to the bill the language, inserted by the House and stricken out by the Senate, relating to the refund of certain taxes levied in connection with automobile accessories by the revenue acts of 1918, 1921, and 1924.

WM. R. WOOD,  
LOUIS C. CRAMTON,  
JOSEPH W. BYRNS,

*Managers on the part of the House.*

Mr. WOOD. Mr. Speaker, I move the adoption of the conference report.

The SPEAKER pro tempore (Mr. SNELL). The gentleman from Indiana moves the adoption of the conference report.

Mr. MacGREGOR. Mr. Speaker, may I ask the gentleman what this does? I am very much interested in the original proposition. I do not think it was fair. I would like to know how this cures it.

Mr. WOOD. Mr. Speaker, the Senate has receded upon the provision that has reference to the refund concerning the automobile accessories. With reference to amendment No. 8, the House will remember that under the amendment adopted by the Senate it was provided that on all refunds amounting to \$50,000 or more, before the same should be paid, the refund should be referred to and passed upon by the General Accounting Office in accordance with existing law. To that your conferees did not agree. After several conferences and by way of compromise we did agree upon the following language as a substitute:

*Provided,* That no part of this appropriation shall be available for paying any claim allowed in excess of \$75,000 until after the expiration

of 60 days from the date upon which a report giving the name of the person to whom the refund is to be made, the amount of the refund, and a summary of the facts and decision of the Commissioner of Internal Revenue is submitted to the Joint Committee on Internal Revenue Taxation.

We have a Joint Committee upon Internal Revenue Taxation, to which all of these reports may be referred. This substitute effects a delay of 60 days in the payment of any refund in excess of \$75,000 by requiring it to be reported to this joint committee. In my opinion, it merely adds to the duties of this committee by giving them notice of the refund for 60 days before it may be paid.

Mr. DENISON. Mr. Speaker, will the gentleman state what are the duties of this committee and what jurisdiction it has and what they may do?

Mr. WOOD. This committee may now call upon the Commissioner of Internal Revenue to furnish them with the facts.

Mr. MADDEN. It is a joint committee that was created by law.

Mr. WOOD. Yes. They can examine into any particular case. The gentleman from Texas [Mr. GARNER] is familiar with it.

Mr. GARNER of Texas. Mr. Speaker, will the gentleman yield to me?

Mr. WOOD. Yes.

Mr. GARNER of Texas. This joint committee under the act of 1926 has a right to do what we are doing now. We can have them send down reports; we can send a man to the Treasury to look into each return; we can do anything we want to with reference to an examination of Internal Revenue taxation in the Treasury Department. This provision merely goes through the form of a camouflage of sending something down to the committee which they can store away and keep filed, if they want to, or, for instance, Brother Green can look it over, but you can not give it publicity. Do not forget that. This does not provide for any publicity. Under the law this does not become public and no newspaper man can look at it. I think these gentlemen in the Senate thought that that was what they were going to get, but they did not get it.

Mr. NEWTON of Minnesota. This eliminates the Comptroller General altogether.

Mr. GARNER of Texas. Absolutely.

Mr. CHINDBLOM. In each case of \$75,000 it will add \$750 of interest to be paid out of the Treasury by a delay of 60 days.

Mr. WOOD. Oh, no.

Mr. MADDEN. The gentleman is mistaken about that. The moment the audit is made and agreement reached the interest stops, but before the payment can be made it will be held 60 days after reporting it to the joint committee. That is all there is to it.

Mr. CHINDBLOM. Then the purpose is to withhold payment for 60 days without interest?

Mr. GARNER of Texas. The Senate put on an amendment that undoubtedly would have encumbered the Treasury Department with a lot of delay in paying the taxpayers. The Senate did not have any confidence in the present method and workings of the Treasury Department, so they undertook to have somebody else look it over in the person of Mr. McCarl. I am not entirely adverse to looking the thing over, but I do not think that is the best way to do it, and delay the taxpayer for a year or two or five years, as the case may be. I want the House to understand and the RECORD to show that so far as this amendment is concerned it is absolutely harmless.

It only encumbers by sending a duplicate copy to be filed with the joint committee, that is all it does.

Mr. WOOD. Absolutely.

Mr. GREEN of Iowa. As I understand the gentleman it is not construed the word "submitted" required any action on the part of the committee. That is not the intent.

Mr. WOOD. And never was the intent.

Mr. GREEN of Iowa. And the joint tax committee is not in a position to make a complete review of this matter at all. It has auditors and accountants so that it can examine a case and make a report.

Mr. NEWTON of Minnesota. If the gentleman will yield further, does not the gentleman think if we are to hold a \$75,000 claim that should be refunded we ought to pay interest on it for the 60-day period in which the payment is withheld?

Mr. WOOD. Well, the law now is that interest ceases when the commissioner approves the claims.

Mr. BYRNS. I want to say just a word to the gentleman from Illinois [Mr. CHINDBLOM] because there ought not to be any misunderstanding about this, and that is, I understand the refunds will draw interest for the 60 days that they are

on file with the tax commission. We were informed that it is not the intention of the Commissioner of Internal Revenue to approve these cases until after the time that they are to be on file has expired.

Mr. MADDEN. Will the gentleman yield to me?

Mr. BYRNS. Yes.

Mr. MADDEN. The law provides when the commissioner approves the claim the interest stops.

Mr. BYRNS. That is true.

Mr. MADDEN. It is not referred to the joint committee until the claim is approved.

Mr. GARNER of Texas. Let us see. It is not to be submitted to Mr. Green's committee by the commissioner until it is finally approved, and when he has done that the interest begins.

Mr. CHINDBLOM. No; stops.

Mr. GARNER of Texas. The 60 days is not counted as interest.

Mr. BYRNS. I understood the Deputy Commissioner of Internal Revenue to say that if this course is pursued in the very nature of things the commissioner would not finally approve the cases until they had been left with the joint committee for the time required. I thought that statement ought to be made. If there is final approval, there is no interest, but I do not understand that is the plan. That is what the Senate's insistence on the amendment will cost by way of interest.

Mr. GREEN of Iowa. If the gentleman will yield, the gentleman from Tennessee has stated correctly what the deputy commissioner said. It is entirely the way the department works it out. They could work out the case and put the final approval on it before it is sent up to the committee if they choose.

Mr. CHINDBLOM. Then I am perfectly correct in my statement and I will add that I do not think they should finally approve payment until the joint committee has had an opportunity to investigate, and I want to say further that I think interest should be paid.

Mr. GREEN of Iowa. Oh, I can not say positively what they will do. They can do either way. They can arrange whether it shall draw interest or not.

Mr. HUDSON. If they make final approval it does draw interest for 60 days—

Mr. WOOD. My judgment is before any claims are submitted to this committee that the commissioner will have made his final approval.

Mr. GREEN of Iowa. That means to stop interest.

Mr. WOOD. Yes; that would stop interest.

Mr. HUDSON. In this final conference report are the accessory parts left as adopted by this House? Has there been any change?

Mr. WOOD. No; the Senate recedes.

Mr. JOHNSON of Washington. If the gentleman will yield, what has been done, if anything, toward legislation which will permit the payment of expenses when officers of certain branches of the Government are to be transferred from one place to another?

Mr. WOOD. That is under this other bill, it is not in this bill at all.

Mr. JOHNSON of Washington. I know; but the committee contemplates that action?

Mr. WOOD. Yes.

Mr. BANKHEAD rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Alabama rise?

Mr. BANKHEAD. I would like to know what is going on on the other side.

The SPEAKER pro tempore. The gentleman from Indiana [Mr. Wood] has a conference report up.

Mr. LINTHICUM. Mr. Speaker, will the gentleman yield there?

Mr. WOOD. Yes.

Mr. LINTHICUM. What was the result of the amendment on the refund of taxes?

Mr. WOOD. That is what we have been talking about.

Mr. LINTHICUM. There has been so much noise we could not hear it.

Mr. WOOD. If the gentleman will read the report he will find out exactly what we are trying to do in the report.

Mr. LINTHICUM. I have been within 10 feet all along, but there has been so much conversation that I could not hear it.

Mr. WOOD. I move the adoption of the conference report. The SPEAKER pro tempore. The question is on agreeing to the motion of the gentleman from Indiana for the adoption of the conference report.

The conference report was agreed to.



## SECOND DEFICIENCY APPROPRIATION BILL, 1927

Mr. WOOD. Mr. Speaker, I desire to submit under the rule the second deficiency appropriation bill and accompanying report.

The SPEAKER pro tempore. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 17291) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1927, and June 30, 1928, and for other purposes.

The SPEAKER pro tempore. Referred to the Union Calendar and ordered to be printed.

Mr. BYRNS. Mr. Speaker, I reserve all points of order.

The SPEAKER pro tempore. The gentleman from Tennessee reserves all points of order.

Mr. MADDEN. Mr. Speaker, in connection with this bill that has just been reported, I would say, with the consent of the gentleman from Tennessee [Mr. BYRNS], that I would like to give notice that we will take this bill up to-morrow for discussion, for general debate, but not for consideration of the items in the bill, after any other important business has been disposed of. We will not now fix the time for general debate, but go on with the general debate and agree upon the time later.

Mr. HOWARD rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Nebraska rise?

Mr. HOWARD. For the purpose of suggesting the hunger of humanity, and that we should take a recess for 40 minutes.

The SPEAKER pro tempore. The Chair does not recognize the gentleman for that purpose.

## CONSTRUCTION AT MILITARY POSTS

Mr. JAMES. Mr. Speaker, I call up the conference report on the bill (H. R. 15547) to authorize appropriations for construction at military posts, and for other purposes.

The SPEAKER pro tempore. The gentleman from Michigan calls up the conference report on the bill H. R. 15547, which the Clerk will report.

The conference report and accompanying statement were read.

## CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15547) to authorize appropriations for construction at military posts, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter proposed by the amendment of the Senate insert the following:

"Sec. 3. That in order to make further provision for the military post construction fund established by the act approved March 12, 1926, the Secretary of War is authorized to cause to be retransferred to the War Department, subject to the approval of the President, all real property heretofore transferred, or any part thereof, since January 1, 1919, from the War Department to other departments, bureaus, branches, or activities of the Government and no longer actually and necessarily required for their use, respectively, and upon the retransfer to the War Department of and such property the Secretary of War shall report the same to the Congress with recommendations as to its sale and the deposit of the proceeds to the credit of the military post construction fund."

And the Senate agree to the same.

W. FRANK JAMES,  
JOHN PHILIP HILL,  
JOHN J. MCSWAIN,

*Managers on the part of the House.*

J. W. WADSWORTH, JR.  
DAVID A. REED,  
HIRAM BINGHAM,  
DUNCAN U. FLETCHER,  
MORRIS SHEPPARD,

*Managers on the part of the Senate.*

## STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 15547) to authorize appropriations

for construction at military posts, and for other purposes, submit the following written statement explaining the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report:

On amendment No. 1: On the evening of January 5, five temporary buildings at Governors Island, N. Y., were destroyed by fire. These buildings were occupied by troops of the Sixteenth Infantry, and although they had been patched up with salvaged material in an effort to make them habitable, they constituted a constant fire hazard. Consequently when they caught fire there was no chance to save them. Troops of the Sixteenth Infantry are now without shelter, except through being quartered with other troops. This crowding is insanitary and renders the living conditions intolerable. This amendment provides authorization for an appropriation that will permit the replacement of these barracks.

On amendment No. 2: This amendment is self-explanatory. It will materially increase the prospect of an earlier alleviation of the conditions with which the Army is now faced by reason of the small amount of money which it has in prospect for the purposes of housing its soldiers. The amendment to the Senate amendment provides that Congress shall be properly advised of all transactions of this nature, and have an opportunity to pass on them.

W. FRANK JAMES,  
JOHN PHILIP HILL,  
JOHN J. MCSWAIN,

*Managers on the part of the House.*

Mr. JAMES. Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

## THE McNARY-HAUGEN BILL

Mr. BRAND of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record on the farm relief bill.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent to extend his remarks on the farm relief bill. Is there objection?

There was no objection.

Mr. BRAND of Ohio. Mr. Speaker, now that the McNary-Haugen bill has passed the Senate and the House and probably will be signed by the President and become a law, there has already been an effect upon the prices of wheat, cotton, and corn, and I want to read you some of the articles in the papers.

From a Chicago (Ill.) paper:

McNary-Haugen bill center of interest. Belief in favorable legislation advances price of wheat.

Another paper in Chicago:

Wheat traders ignored weaker Liverpool markets to-day and bought in the belief that Congress will pass the McNary-Haugen bill, causing prices to advance. Corn was helped by the same influence.

Now, from New York:

Cotton advances on short covering. Farm-relief encouragement is factor in trading in staple to-day.

Now, from New Orleans:

Fear of opposition to farm relief bills that may endanger enactment kept cotton prices on the decline early to-day.

There have been many in the House who have said they were friendly to the farmer and acknowledged his position of inequality, but they thought nothing could be done by legislation, and so I offer this condition of the grain and cotton markets to show you that the traders think that this McNary-Haugen bill will be effective and they are already gambling, buying these products, with the belief that there is a possibility of this relief coming, and they believe that the price will be higher when it comes.

This is not the only evidence we have had in this debate about this bill that the legislation will be effective.

Mr. Mellon gave the best evidence last year in his statement as to what his belief was. He said, in effect, that this relief for farmers could not be granted because industry could not afford it. Now, that meant, if it meant anything, that this legislation would be effective and would raise the prices of farm products. This statement of Mr. Mellon's has proven the greatest argument for the bill in the agricultural districts of the United States. The sentiment was intolerable to the farmers, but the admission proved that relief is possible.

We raise 60 per cent of the cotton of the world, and we raise 93 per cent of the corn of the world, and we are raising them now at a loss. These two products represent the two greatest products of America. One in the South and one in the North. They represent the greatest amount of new wealth that comes to the Nation in the year's time, and yet we are selling these

products to ourselves and to the world for little more than half the cost of their production. I wonder if we are smart business men.

Let us see if any other countries do differently. As we look over the world we find surplus crops under control—not everywhere. As we study the different countries we find a line of demarkation. In the countries where industry has developed and where cities have developed in excess of the rural population we do not find these controls of agricultural surplus, but we do find them in those countries where the rural people still have control of the legislatures.

We find in Greece control of the main product, currants; and we find in Brazil control of coffee; and we find in Mexico control of sisal; we find in Ceylon and Malaya control of rubber; we find in South Africa, New Zealand, and Australia control of practically every agricultural product; and we find in each instance they are paying some kind of an equalization fee; and we find in some of these countries these controls have been going for many years, 20 and 25 years, and some for a less number of years; but we do not find a single country where this kind of control has been started where the laws have been repealed, and we do not find a single country where any expense attached to these controls has been paid out of the treasury of that country, but always by some kind of an equalization fee. But the point I wish to make is that we are raising our corn and cotton for less than the cost of production and we are trading them out over the world for the things we want, and we are bringing back coffee, rubber, and currants, and so forth, from those countries that are protecting their products. They are getting the cost of production plus a reasonable profit. We are selling to them at less than the cost of production.

Now, we must admit that this is not good business and that this does not represent intelligent transaction, and when we attempt to correct the situation we are up against this argument that the equalization fee in the McNary-Haugen bill is unconstitutional. Now, Members of the House, I do not believe that those who are opposed to this bill on that account are entirely candid. I say that those Members of this House who were most determined to pass the Federal reserve act are the ones that are taking that position. I want to call your attention to the fact that the Federal reserve act delegates a power to tax. Now, what does the Federal reserve act do? It says to the Federal board, Go into every national bank in the United States and take out of their vaults 10 per cent of all of their deposits and take them over and put them down in the vaults of the Federal reserve bank and do not pay one penny of interest on that money.

Pile up 10 per cent from each (national) bank in the United States in the vaults of the Federal reserve bank and then loan that money out, pull it in as it suits the purposes of the board, thereby controlling the surplus of credit in the United States; thereby controlling the rate of interest in the United States; thereby providing credit under all conditions, but the power is given in that act to force every national bank in the United States to give up 10 per cent of their deposits without getting any interest thereon and every (national) bank in the United States loses to that extent for the privileges of the Federal reserve act and, therefore, I say that these men who refuse to vote for the equalization fee so that we may control the surplus of agricultural products have already voted for a fee for the bankers to pay for a similar privilege. You know, I think it is very unbecoming for any banker to oppose the McNary-Haugen bill, because they have a bill of their own, enacted into law, which does everything for them that the McNary-Haugen bill will do for farmers.

And then I say again, these ones who oppose the McNary-Haugen bill on account of the equalization fee being unconstitutional, I say, you were the ones who were the most ardent supporters of the transportation act and, in that act, you have an equalization fee just as unconstitutional as the equalization fee in the McNary-Haugen bill, because you delegated the power to the Interstate Commerce Commission to recapture all the money over 6 per cent earned by the prosperous railways and delegated the power to take that away from that railway and turn it over to the weaker road. That is equivalent to delegating power to tax.

Now that is not all. Those of you who were the most ardent supporters of the tariff bill are the same ones who are most ardently against the McNary-Haugen bill and, in the tariff act, you delegate to the President the power to increase or decrease all the tariff taxes by 50 per cent. Oh, this is no new question. You have already voted on this question three different times, and those of you who are opposed to the McNary-Haugen bill and the equalization fee are the ones that were most ardently for the three other bills which contained the same principle in effect.

#### EFFECT ON COST OF LIVING

Therefore I say that you can not be against this bill on that account. There is some other reason, and I want to give you that reason, and I will refer you to an editorial in the Washington Post, which has been about the most unfair paper in the country in opposition to the McNary-Haugen bill, but they have finally come to a candid conclusion, and here is their conclusion:

The opposition is because the McNary-Haugen bill sets up a bureaucracy in Washington to boost the cost of living for all.

That is the real reason. Because you think the price of food is going to be increased. These farm representatives in this Congress and in the Congresses past, the people that come from the farming part of the country, have voted continuously for all these measures that have added to the income and wages of everybody else. They voted for the railway transportation act, that raised the income of railways \$2,000,000,000 a year, because they are American citizens and they wanted their country to prosper and they wanted adequate railway facilities. They voted for the tariff always for a hundred years, because they are proud of their country and they want these great cities to be built and they want them to flourish and prosper. They voted for the Federal reserve act, because they want this country to have the most stable credit of any country on the globe. They voted for the immigration bill and the 8-hour law for labor, and now they find they have gotten themselves in a hole and their backs against the wall, and now they come to Congress and ask for equality. They say they can not live here this way, under these conditions, following these various laws passed lifting others up on a higher plane while they compete for the most part with the world. And what is the answer? There is only one set that they have helped that responded favorably, and what set is that? Why, it is the poorest group in the lot, the people that have the least—the laboring man. They have reached out their hand to the farmer and said: "Yes; we have received the benefits of these laws and we want to grant equality to you." But how about the other groups? "It is as easy for a camel to go through the eye of a needle as it is for a rich man to enter the kingdom of heaven."

It is a known fact that the farmers are losing about \$2,000,000,000 a year in exchanging their products for the products made by these other groups; and if this McNary-Haugen bill is enacted into law, those who are for it believe that it will raise the products of agriculture to an extent that will equalize and give agriculture \$2,000,000,000 a year more income.

Now, will this raise the price of food? I know that if I can get every man in this House to see that it will not raise the price of food we would have little or no opposition to this bill.

The farmers of the country get about \$10,000,000,000 a year for all their products, and there are accountants here in the departments at Washington who have stated that those same products bring about \$30,000,000,000 when sold to the consumer, so that there is a spread of some \$20,000,000,000.

Now, if you add \$2,000,000,000 to the \$10,000,000,000 now received by agriculture, agriculture will then receive \$12,000,000,000. Will that \$2,000,000,000 be added onto the \$30,000,000,000 now received from the consumer?

Let us see about cotton. Cotton went down last July and August nearly half. What has happened to cotton goods? Last week I did not know, and I wanted to find out, and I asked Mrs. Brand to go down to a big department store here in Washington, and she did go, and she went to the clerk in the shirt department and looked at shirts, and she inquired about the prices, and then she said, "Are not those prices just the same as I paid last year?" The clerk bristled up and said, "Why, yes, ma'am; we sell these very close." "And there has been no decline?" "Oh, no; there could not be." And so Mrs. Brand went around to the sheet and all other departments that sell cotton goods, and she did not find a counter where there has been one single penny of decline in cotton goods, although the farmer of the South raising cotton is in terrible straits because he has had to accept about half for his cotton. Do you know that there is not more than 10 cents worth of cotton in a shirt that you pay \$1.50 for; and if that cotton in that shirt cost 15 cents, it will not change the price of that shirt? In other words, gentlemen from the South, if your cotton in the South had stayed all this fall and winter at the same price that it was a year ago, the cotton products would not have cost the consumer in America one penny more than they are costing today, and we can raise cotton 5 cents a pound without enhancing the price to the consumer at all.

Now, your Democratic leader on this floor yesterday intimated he believed the McNary-Haugen bill could not favorably affect cotton. He does not agree with the traders, who are



willing to stake their money on the passage of the bill. Yes; we can help cotton greatly; not only by storing the surplus and allowing it to go out in an orderly way on the market at a fair price—just as Brazil does with her coffee in a most successful way and has done it for 20 years—but there is another problem relative to cotton, another avenue of help. When this organization created by the McNary-Haugen bill gets to work on cotton they will find there is a way to substitute cotton for another article and thereby use up the surplus. We are importing into the United States about \$120,000,000 worth a year of jute and its products, and there is not anything we make out of jute that we can not make out of cotton. I have letters from cotton mills stating that we can use 1,500,000 bales a year of cotton to take the place of jute raised in India. Why, I want to say to you that right down in the Southland to-day you are packing every bale of your cotton in jute when you are suffering from a surplus of cotton. When this organization under the McNary-Haugen bill gets into business handling cotton, I think they will have brains enough to separate from this cotton they buy the low grades and then strive for a market for those low grades to take the place of jute, and then they will come to this Congress and ask for a tariff on jute. I hope there will be some northern man on that cotton organization that will have the brains to see that you need a tariff on jute to protect the cotton industry of the United States. And then this organization handling the cotton will separate the low grades of cotton, and they will be able to make a price under the terms of the McNary-Haugen bill on cotton for the purpose of substituting it for jute. They will be able to encourage that substitution and lose some money on what is used at the low price. Yes; and what they lose on a million or so bales used to take the place of jute will add ten times as much on the balance of the crop. If you in the Southland arrange to use 1,500,000 bales of cotton to supplant jute you will raise the price of the whole crop 5 cents a pound.

Now about wheat. You know in this House that I have had some experience studying wheat and bread. I understand there are a lot of bakers telegraphing in here that this McNary-Haugen bill will hurt their business. Now, what the baker does is to take about 2½ cents' worth of flour and other ingredients and knead them up with water and make a loaf of bread that sells for 8 cents. If the McNary-Haugen bill goes into effect, we on this side admit that the 2½ cents for ingredients would be raised to probably 3 cents, and he will have 5 cents spread instead of 5½ cents on a loaf of bread. Now, what will he do? Will he raise the price of bread above 8 cents? I think not. In the last five years I have seen wheat go to \$1.85 a bushel, and that did not raise the price. Why? Why, they tell me because the women begin to bake bread when they go above the 8-cent price. Did they make money selling at 8 cents when wheat was \$1.85? I know one concern that paid 48 per cent dividend that year. Why, do you know, gentlemen, when I was studying this bread question a couple of years ago the Corby Baking Co. here in Washington, I found, were selling the retail grocers their bread at 7 cents and the consumer paid 8 cents and right at that time they had a contract with the Government at 3.29 cents per loaf of the same bread identically.

And during that time, I was over in England and I found over there that they were buying our wheat over here and paying freight across, and making it into bread in factories that were expensive because they lack machinery and yet they were delivering their bread to the homes in London for 4½ cents a pound. Now, I say to you, knowing all that, that the bakers of the United States can allow a decent price to the farmer for raising the wheat and continue to sell bread at 8 cents. Cotton goods will not go up if you raise cotton 5 cents a pound and bring it up to the cost of production. Bread will not go up if you raise wheat to the extent of the tariff. There is little connection between the price the consumer pays and the price the farmer gets. The price of milk has nothing to do with the price of ice cream. The price of hides has nothing to do with the price of shoes. The price of wool has nothing to do with the price of a suit of clothes.

We are simply letting the farmer take less than is fair and getting no advantage as consumers, and this McNary-Haugen bill has this purpose: We, who are for it, see that agricultural products in the United States are stabilized after they leave the farmers' hands, and what this McNary-Haugen bill will do is to stabilize them before they leave the farmers' hands.

It is altogether possible to pass this bill and have it work and not have it cost an additional amount for food to the consumers of the United States.

My study has been finding precedents in the legislation which we have enacted for others which are similar to the McNary-

Haugen bill and in also studying precedents of the same class of legislation throughout the world.

I first find that the Federal reserve act is very much a McNary-Haugen bill for bankers.

To me it seems the bankers sought to control the surplus of credit for a very good reason. Too much credit or too little credit are both bad, and there was no power anywhere residing to control the surplus or deficiency before this Federal reserve act was passed.

The Federal reserve act does this: It takes now 3 per cent of each bank's capital and surplus and invests it in stock of a Federal reserve bank. In addition to that, it requires on an average about 10 per cent of each bank's demand deposits to be deposited in a Federal reserve bank, and 3 per cent of their time deposits.

Upon this basis of credit the Federal reserve banks can issue currency to an amount of about three times the amount of money the banks have deposited with them. With the Federal Reserve Board thus empowered, they can restrict or enlarge at their will credit facilities.

Now, if there is created an agricultural board that could automatically secure 10 per cent of any crop, that board would control the surplus each year of that crop, but the Federal Reserve Board controls more than 10 per cent of the credit.

To prove this, we had a large crop of corn in 1925, and at the end of the season we carried over a surplus of 181,000,000 bushels, which was 6 per cent of the total production. That 6 per cent ruined the price in 1925 and made the farmers sell at very much less than the cost of production, and that same 6 per cent carried into the 1926 crop lowered the price for the 1926 crop with similar results, and note that only 6 per cent of one year's crop did all of this damage, and note it would be only 3 per cent of two years' crops, and yet two crops were ruined as to price.

Is there an equalization fee in the Federal reserve act? I think so. The banks depositing 10 per cent of their demand deposits with the Federal reserve bank lose interest on that amount of money absolutely. In my little town of Urbana it costs the banks, if money is worth 6 per cent, about \$9,000 a year, and yet there are bankers who are vociferous against the McNary-Haugen bill for farmers.

Now, again, the transportation act was an attempt to give fair returns to the railways for reasons which were manifest. The difficulty in the measure was to arrange a rate that would suit all railroads. A rate that was right for the average railroad produced revenue too much for some and too little for others, so an equalization fee was placed in the bill, and the railroad receiving too great a revenue must share with the railroad receiving too little.

Now, as to foreign legislation. I have been in the current importing business all my life, and 30 years ago we were buying currants from Greece, delivered in New York, for about 2 cents a pound, and this was ruinous to the growers in Greece.

The Greek Government passed a law relative to the currant business. Currants can be disposed of for two purposes—as dried currants and for wine. In the old days, before the law was passed, the price for wine controlled, but the law provided that the growers turn over to a government organization the currants not needed as dried currants. This resulted in about 35 per cent of the crop being retained each year by the government organization. This organization took these currants and made wine or alcohol out of them and returned to the growers a small amount for this surplus. The 65 per cent left are sold as currants over the world. The average price has been 7 or 8 cents a pound during the last 25 years, duty paid.

This law has worked continuously for 25 years successfully and no public man in Greece can afford to repeal this law.

No doubt the coffee situation in Brazil is quite familiar. The growers down there, before 1912, were receiving a very small price for coffee—about 4 to 5 cents per pound—until the Government offered to help by creating an organization that lifted the surplus off the market, and an equalization fee was levied of 55 cents a bag, applied in transportation of the coffee from the plantation to Santos. A year ago I looked up the price of coffee, and it looked like about 13 cents a pound. Of course, there are many grades. I took up this matter with the embassy here in Washington from Brazil and I was told that the Government had never used a cent out of the treasury for this purpose and that the law had been satisfactory and helpful, and I find there is no inclination to repeal such legislation in Brazil.

As to sisal in Yucatan, Mexico, the situation down there before 1912 was something like this: The buyers of sisal, mostly American buyers, had organized themselves together, and these buyers controlled the patents on machinery which made sisal

into twine. Thus organized they were able to dictate a price and the growers of sisal had no protection from this organization. Therefore they appealed to their Government for a buying power with funds, and the first Mexican legislation was about 1912, which has been continued ever since, with many ups and downs, which is natural in that country.

There was an equalization fee applied to each bale of sisal which created a fund, or reimbursed the fund, used for the control of the surplus. This legislation continues to this day; and while the Department of Commerce says sisal is now 7½ cents a pound, and therefore argues that the measure is not effective, yet there were times without legislation when sisal sold for 2 cents a pound.

Nitrates are controlled by Chile, and are less successful now, owing to the fact that Germany is producing nitrates out of the air. Potash is controlled by Germany. Legislation in Japan has been helpful to both camphor and silk. In the English colonies the English Government has sponsored a great many different pieces of legislation, each one having an equalization fee, and covers rubber in Ceylon and Malaya, spice in various countries, cotton in Egypt, and practically all of the agricultural products of Australia, New Zealand, and South Africa.

There is an export tax on a standard quantity of rubber exported, and if more is exported there is a larger tax, and this tax is graduated until it amounts to confiscation when a certain amount is reached. They went too far with this law a year ago, but they have come back to earth again and are allowing a larger quantity to go out as standard export.

The laws in Australia, New Zealand, and South Africa are very interesting. They create export controls and permit export through these controls only. This throws the surplus into the hands of this export organization without question, and different equalization fees are applied. Sometimes bounties on exports are paid, but the producers in these colonies do not throw their products upon the auction block of the world, allowing the world to take them at its price. This control dickers with the world. For example, they have arranged with Canada to take their fruits with a low tariff and at the same time apply a high tariff to American fruits.

Have these foreign controls been satisfactory or profitable? I think about the best evidence I can offer you is a report made by the Department of Commerce October 25, 1926, relative to "foreign-government price fixing of our import raw materials," by Everett G. Holt, Chief of the Rubber Division. He says:

Some of these controlled commodities are of small dimensions, others of vast importance, but the very number of these controls indicates a trend. There are some 20 or 30 other commodities in the world for which we are at present dependent on import, and which could likewise be controlled by action of one government or by agreement between two governments. In fact, it is possible thus to control a very large portion of the raw materials which we do not ourselves produce. Unless some deterrent arises, the enormous profits of some of the controls already in operation will not only stimulate unreasonable prices for other controlled products but will serve to encourage attempts upon other commodities.

We were asked to decide whether to substitute the Crisp bill for the Senate bill, which is the McNary-Haugen bill. In the first place, I do not like the way the agricultural board is appointed in the Crisp bill. Under its terms the board might be all selected from Vermont or they might be selected from political workers over the United States, who know little or nothing about this great measure. I have been informed that the Federal reserve act almost broke down in the beginning because of appointments of this kind clear down through the working machinery of the bill, and my information came from people associated with the work, and I might add that the farm-loan banks suffered at the start from the same cause.

Or, under the Crisp bill, this board might be made up of grain dealers, especially exporters, which would be all right if they were in hearty sympathy with the bill but disastrous if they were against it. The McNary-Haugen bill requires that the farmers' organizations nominate 36 members, out of which the President may choose the 12. This leaves this board a farm board, and it might be thought that such a board would be unfair to the consumers of the country, but it seems to me that this is safeguarded against by the Capper-Volstead law which, while it relieves the farm organizations from antitrust laws of the Nation, yet it requires that prices be reasonable, and a reasonable price for an agricultural product is conceded to be the cost of production plus a reasonable profit.

I do not like the Crisp bill because it deals with world surpluses, and our problem, outside of cotton, is not a problem of world surpluses but is simply a matter of handling the products of American farmers which exceed the American con-

sumption. The purpose of the bill is to grant agriculture an amount equal to the tariff over and above world prices. This is granted to industry and the farmers are entitled to equality of treatment. As to cotton, we undoubtedly will have to affect the world price of cotton and raise it to the cost of production plus a reasonable profit by the purchase of the surplus and withholding it from the market and exerting every effort to use up that surplus by means of substitution of cotton for articles like jute, which is practically interchangeable with cotton. We must get into position to make a low price on low grades of cotton to meet the competition on jute. We can use up a million and a half bales a year in this way and we will need the McNary-Haugen bill and the equalization fee to bring about this result. You can not displace jute with cotton without sustaining a loss and that loss must be paid by the equalization fee or it must be paid out of the United States Treasury, and the amount of gain to the rest of the crop of cotton, by using up a million and a half bales of low-grade cotton, should bring \$10 to every producer of cotton where the equalization fee amounts to \$1.

I don't like the Crisp bill because it contemplates making prices adequate to the efficient producer and does not state where that producer is. Is that efficient producer in the Argentine or in the United States?

I do not like the Crisp bill because it does not contemplate raising prices but rather the stabilization of prices. The proponents of the bill have told me privately, and Judge Crisp's own defense of the bill indicates that it is simply a stabilization of prices and, therefore, will lose no money out of the revolving fund.

What does a stabilization of prices mean without advancing prices? The farmer now has an 80-cent dollar; last year he had a 90-cent dollar; some two years ago he had a 70-cent dollar. Now, stabilization means that he will get an 80-cent dollar all the time instead of enduring the hills and hollows.

What the McNary-Haugen bill means is that there will be a serious attempt to give him a 100-cent dollar. That is, that his products will sell for a price equivalent to the prices of things he buys.

Now, supposing the Crisp bill supporters say that this position is not correct on this bill—that it is intended, like the McNary-Haugen bill, to raise prices. What will be the result?

If you raise wheat to the amount of the tariff, as is contemplated by the McNary-Haugen bill, you will have to sell the surplus over the world at a loss equal to the amount you raise the price in the United States above the world price, and we have from 75 to 150,000,000 bushels of this wheat each year upon which we must sustain this loss, so that an actual loss will be sustained on wheat amounting to from \$25,000,000 to \$50,000,000 a year.

If, in handling cotton, we follow the plan of only withholding from the market, we do not know what the loss will be. It all depends on what future crops amount to. The loss may be very heavy or it may be very light. If we follow the plan of substituting cotton for jute there will be a loss. I think it is perfectly fair to say that we will have a loss in handling cotton of \$25,000,000 a year, and I expect the equalization fee to amount to \$2 a bale, and I think it can be held at that amount. On the other articles, this revolving fund will be called upon and there will be a loss sustained if we accomplish any good, and, all told, we can anticipate that there will be \$100,000,000 a year in losses.

Now, under the terms of the Crisp bill this money will be taken out of the revolving fund, and every year, if the Crisp bill means to raise prices, there will be an appropriation bill before this House asking for at least \$100,000,000 out of the Treasury to replenish the revolving fund, and every year we will be voting on this farm measure for and against. Under these circumstances you are asking the country to put up a subsidy of at least \$100,000,000 a year for agriculture, and I tell you, that, under those circumstances, the people of the country will fight it and that the Crisp bill, therefore, will not be a permanent solution for agriculture.

The only way to have a permanent solution is to vote for a sound bill in which the farmers themselves replenish their revolving fund to the amount that it is exhausted.

#### ASKING FOR RECESS

Mr. HOWARD rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Nebraska rise?

Mr. HOWARD. To ask unanimous consent that we may have a recess for 40 minutes.

The SPEAKER pro tempore. The Chair does not recognize the gentleman for that purpose.



## LEAVE OF ABSENCE

Mr. WILLIAM E. HULL. Mr. Speaker, in behalf of my colleague from Illinois, Mr. IRWIN, I ask that he may have leave of absence until the next Congress on account of the illness of his wife.

The SPEAKER pro tempore. Without objection, the leave asked for will be granted.

There was no objection.

## GEORGE WASHINGTON

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to speak out of order for five minutes.

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent to speak out of order for five minutes. Is there objection?

There was no objection.

Mr. JOHNSON of Texas. Mr. Speaker, on this the birthday of George Washington I desire to read into the RECORD, so that it may be preserved, an editorial appearing in the London Times in its issue of November 9, 1796. An original copy of this newspaper of that date is in the possession of Mr. W. H. Hastings, of Corsicana, Tex. He has furnished me with a photographic copy of a portion of the editorial page containing an announcement and comment of the contemplated retirement of George Washington as President of the United States of America. The retirement is therein referred to as a "resignation," and the article evidently refers to the issuance of what we know as George Washington's Farewell Address.

This editorial is of especial interest in that it reflects the esteem in which the Father of our Country was held by the English, at least by England's greatest newspaper, at the time of his retirement from the Presidency.

It is also of interest to note that in 1796 it took 42 days to cross the Atlantic. The *Belvidere*, which carried the news from America to England of Washington's decision to retire from public life, sailed from New York on September 27 and arrived in England on November 8. I ask that the Clerk read it in my time.

The SPEAKER pro tempore. Without objection, the Clerk will read.

The Clerk read as follows:

LONDON, November 9, 1796.—We are sorry to announce the resignation of George Washington, Esq., of his situation of President of the United States of America.

This event was made known yesterday by the arrival of the *Belvidere*, from New-York, with letters from thence of the 27th of September.

Notwithstanding the intention of General Washington had been long announced, it was expected that the solicitations of his friends would have prevailed upon him to continue in office, for the peace of America. He has however declined all further public business, and, in resigning his station, has concluded a life of honour and glory. His Address in resigning his office, is a very masterly performance; and we shall give it at length.

It is expected that Mr. Adams will be chosen his successor.

## FARM RELIEF, RETIREMENT OF DISABLED EMERGENCY ARMY OFFICERS, AND EXCERPT FROM MINUTES OF THE ANNUAL CONVENTION OF THE AMERICAN LEGION

Mr. GARNER of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting some communications I have received from the State of Texas.

The SPEAKER pro tempore (Mr. NEWTON of Minnesota). The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. GARNER of Texas. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following:

## House Concurrent Resolution 2

Be it resolved by the Legislature of the State of Texas—

Whereas in recognition of the universal acceptance by every progressive people that agricultural industry represents the foundation of all real progress by the social body, governments have come to lend their just powers and influence to conserve the integrity and stability of farming enterprise in its various forms as a necessary service for the protection and promotion of public welfare; and

Whereas agencies created by and under the just powers and authority of the Government of the United States, and functioning under proper governmental supervision, in accordance with a judicious public policy, have developed conditions tending to the intelligent mobilization of the Nation's credit resources, for the determination of the great transportation and labor problems of the country, and for the well-being of commerce and manufacturers; and

Whereas agricultural industry, the greatest of all the Nation's enterprises and the foundation of national security, prosperity, and development, is without the equal recognition and the cooperating and directing services which the national authority and influence may justly lend: Therefore be it

Resolved by the Legislature of Texas, That we respectfully and earnestly commend to the favorable consideration of the Congress of the United States the need for the creation at the earliest practicable time of such judiciously devised and well-balanced agencies for the accomplishment of the stabilization and well-being of essential agricultural industry of the Nation, to the end that the great problems of sound economic agricultural production and judicious distribution and stimulus to more general beneficial utilization may have the most intelligent and capable cooperation and direction in their adjustment to the welfare of the country, and may exercise the fullest measure of their influence upon the security of agricultural enterprise.

Resolved, That a copy of this resolution, duly attested, be transmitted by the chief clerk of the house to the honorable the President of the Senate of the United States, to the honorable the Speaker of the House of Representatives of the Congress of the United States, the honorable Secretary of Agriculture of the United States, and to each Member of the Texas delegation in the Congress.

BARRY MILLER,

President of the Senate.

W. V. HOWERTON,

Secretary of the Senate.

ROBERT LEE BABBOTT,

Speaker of the House.

N. LOUISE SNOW,

Chief Clerk of the House.

## House Concurrent Resolution No. 22

Whereas there are nine classes of officers in the World War—the Regular, provisional, and emergency officers of the Navy, Marine Corps, and Army; and

Whereas eight of these classes have been granted by the Congress honorable retirement for their wounds and disabilities received as a result of their services in camp and field; and

Whereas the emergency Army officers, who fought heroically as evidenced by more than 2,000 battle deaths in France, have alone failed to receive the honorable retirement accorded all other classes of officers; and

Whereas there are 1,646 of these disabled emergency Army officers now suffering from disabilities received on the field of battle whose honorable retirement has not been granted by Congress; and

Whereas we are informed that legislation is pending in both Houses of Congress, being reported favorably by their respective committees and now on the calendar of each House (the Tyson bill, S. 3027; the Fitzgerald bill, H. R. 4548): Therefore be it

Resolved by the house (the senate concurring), That we do urgently request our Members in Congress to use their best efforts to have this legislation removing this discrimination passed at this session of Congress; be it further

Resolved, That the clerk of the house of representatives and the senate join in sending a copy of this resolution to each United States Senator and Member of the House of Representatives from Texas.

ROBERT LEE BABBOTT,

Speaker of the House.

M. LOUISE SNOW,

Chief Clerk of the House.

BARRY MILLER,

President of the Senate.

W. V. HOWERTON,

Secretary of the Senate.

[Excerpt from the minutes of the eighth annual convention, American Legion, Department of Texas, Amarillo, Tex., September 8, 9, and 10, 1926]

Whereas the Congress of the United States in the selective service act of May 18, 1917, promised that all volunteer officers commissioned under that act should be "in all respects on the same footing as to pay, allowances, and pensions as officers \* \* \* of corresponding grades and length of service in the Regular Army"; and

Whereas regular officers of the Army, Navy, and Marine Corps, provisional officers of the Army, Navy, and Marine Corps, and emergency officers of the Navy and Marine Corps have been granted by Congress the privileges of retirement for disability when incurred in line of duty, leaving only the disabled emergency officers of the Army without such retirement; and

Whereas an overwhelming majority of the Members of each Congress since the armistice have promised to correct the injustice to disabled emergency Army officers by the enactment of legislation designed to adjust the unfair conditions imposed upon these men; and

Whereas the United States Senate has twice passed measures to correct this condition, the vote in the Sixty-seventh Congress being 50 to 14, the vote in the Sixty-eighth Congress being 63 to 14; and

Whereas in the first session of the current Congress (the Sixty-ninth) the Senate Committee on Military Affairs favorably reported the Tyson bill (S. 3027) and the House Committee on World War Veterans' Legislation favorably reported the Fitzgerald bill (H. R. 4548), similar bills in their provision for the retirement of disabled emergency Army officers who incurred physical disability in line of duty during the World War, both of which bills are now on their respective calendars in the United States Senate and House of Representatives awaiting a final vote; and

Whereas the House Committee on World War Veterans' Legislation will in all probability have a committee day upon which it may bring out its own legislation for consideration and vote on the floor of the House in the next session of the Sixty-ninth Congress; Now, therefore, be it

*Resolved*, That the Department of Texas of the American Legion in its annual convention assembled at Amarillo, Tex., this 10th day of September, 1926, do, and hereby does, most heartily indorse the principles of retirement for disabled emergency Army officers as already established for the other eight classes of disabled military and naval officers of the World War and which principles are embodied in pending measures now before the Congress, the Tyson bill—S. 3027—and the Fitzgerald bill—H. R. 4548; be it further

*Resolved*, That the members of the United States Senate and House of Representatives from the State of Texas be, and hereby are, most strongly urged to lend their active support in securing the enactment of this pending legislation as early as possible in the next session of the current Congress.

A DELEGATE. I move its adoption.

A DELEGATE. I second the motion.

The CHAIR. The motion is carried and the resolution is adopted.

#### NO QUORUM—CALL OF THE HOUSE

Mr. SNELL. Mr. Speaker, I call up a privileged resolution from the Committee on Rules.

Mr. BLANTON. Mr. Speaker, before this rule is called up I make the point of order that there is no quorum present.

Mr. LINTHICUM. Mr. Speaker, will the gentleman withhold that for a moment?

Mr. BLANTON. I will withhold it.

Mr. LINTHICUM. I ask unanimous consent to extend in the RECORD my remarks on House Concurrent Resolution No. 46, respecting treaty relations with China.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. BLANTON. Mr. Speaker, I renew the point of no quorum. We want one before we take up an important bill like the medicinal liquor bill.

The SPEAKER pro tempore. The gentleman from Texas makes the point of no quorum.

Mr. SNELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER pro tempore. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

#### [Roll No. 36]

Almon	Fredericks	Lee, Ga.	Spearing
Andrew	Gallivan	Lehbach	Stevenson
Anthony	Garrett, Tenn.	Letts	Strother
Arentz	Garrett, Tex.	Lowrey	Sullivan
Auf der Heide	Gibson	McClintic	Sweet
Beedy	Glynn	McDuffie	Swoope
Begg	Goldsborough	McFadden	Tincher
Bell	Gorman	McLaughlin, Nebr.	Tinkham
Bixler	Greenwood	Manlove	Treadway
Brand, Ga.	Griffin	Mansfield	Tydings
Briggs	Hall, N. Dak.	Mead	Underhill
Brigham	Harc	Merritt	Vare
Britten	Haugen	Mills	Voigt
Carss	Hill, Md.	Montague	Walters
Christopherson	Hill, Wash.	Montgomery	Warren
Cleary	Houston	Morin	Wefald
Collins	Hull, Tenn.	Nelson, Wis.	Wheeler
Coyle	Hull, M. D.	Oliver, N. Y.	Williams, Ill.
Cramton	Irwin	Phillips	Wilson, Miss.
Crisp	Jenkins	Prall	Wingo
Crumpacker	Keller	Purnell	Winter
Curry	Kelly	Ransley	Wolverton
Deal	Kendall	Rayburn	Woodyard
Dempsey	Kiefner	Sanders, N. Y.	Wurzbach
Doyle	King	Sears, Nebr.	Wyant
Esterly	Kunz	Seger	
Fish	Kurtz	Smithwick	
Fitzgerald, Roy G. Lampert		Sosnowski	

The SPEAKER pro tempore. Three hundred and twenty-three Members are present, a quorum.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

#### EXTENSION OF REMARKS

Mr. JOHNSON of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on Senate bill 5082, the seed grain bill which was passed yesterday, by inserting a letter from the Secretary of Agriculture and Mr. Warburton, his assistant.

The SPEAKER pro tempore. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, what is that letter?

Mr. JOHNSON of South Dakota. It is a letter from the Secretary of Agriculture and his assistant, Mr. Warburton, telling how the bill will operate if it is signed.

Mr. RANKIN. If the bill is signed by the President?

Mr. JOHNSON of South Dakota. Yes.

Mr. RANKIN. Does the gentleman think it is necessary, after appropriating \$8,600,000, to be distributed in the way provided by that bill, to have the head of some bureau or some department write a letter telling Congress how the law is to be administered?

Mr. JOHNSON of South Dakota. This is a letter written to the committee and it just gives the machinery.

Mr. RANKIN. The bill is now past the committee and was rushed through the House under suspension of the rules. Does the gentleman think it necessary to encumber the RECORD with that sort of material? Does the gentleman believe it will give the House any information?

Mr. JOHNSON of South Dakota. No; but it will give the farmers a lot of information.

Mr. RANKIN. Does not the gentleman believe the farmers will know how to plant these seed after they get them without being informed by the committee or by the Department of Agriculture?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to ask the gentleman a question, as he is the chairman of the Committee on World War Veterans' Legislation. The law allowing compensation to disabled veterans in hospitals will expire this summer while we are in recess. When is the gentleman going to bring up the bill in reference to extending that law allowing compensation to disabled ex-service men in hospitals?

Mr. JOHNSON of South Dakota. That bill has been reported by the committee, but I do not know that I yield to the gentleman for this purpose.

Mr. BLANTON. I did not ask the gentleman to yield, as I have the floor under my reservation. We would like to hear from the gentleman, because that is a matter of extreme importance to every one of us having disabled ex-service men in our districts.

Mr. JOHNSON of South Dakota. I will say to the gentleman that such a bill has been introduced by the committee. It will be reported to-day and brought up at the first opportunity.

Mr. BLANTON. Does the gentleman believe it will be brought up in time to be passed by the House and Senate and become a law before we adjourn? He should get a rule or obtain recognition to pass it under suspension.

Mr. JOHNSON of South Dakota. It was added to the compensation bill in the Senate last night.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

Mr. RANKIN. Mr. Speaker, I object.

#### MEDICINAL SPIRITS

Mr. SNELL. Mr. Speaker, I call up House Resolution 432, a privileged resolution from the Committee on Rules.

The SPEAKER pro tempore. The gentleman from New York calls up House Resolution 432, which the Clerk will report.

The Clerk read as follows:

#### House Resolution 432

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of a bill (H. R. 17130) to conserve the revenues from medicinal spirits and provide for the effective Government control of such spirits, to prevent the evasion of taxes, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by those favoring and opposing the bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments



thereto to final passage without intervening motion except one motion to recommit.

Mr. SNELL. Mr. Speaker, before discussing the resolution I would like to ask the gentleman from Alabama [Mr. BANKHEAD] whether he desires any time on the rule?

Mr. BANKHEAD. Yes. I have requests on this side for about 15 minutes. I shall not consume more time than that.

Mr. SNELL. Mr. Speaker, I ask unanimous consent that discussion on the resolution be limited to 30 minutes, 15 minutes to be controlled by the gentleman from Alabama [Mr. BANKHEAD] and 15 minutes by myself, and at the end of that time the previous question shall be considered as ordered on the resolution.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent that debate on the rule be limited to 30 minutes, 15 minutes to be controlled by the gentleman from Alabama [Mr. BANKHEAD] and 15 minutes to be controlled by the gentleman from New York [Mr. SNELL], and that at the conclusion of debate the previous question shall be considered as ordered on the resolution. Is there objection?

There was no objection.

Mr. SNELL. Mr. Speaker, the resolution just presented needs no special explanation. It provides for the consideration of H. R. 17130, which is commonly known as the medicinal spirits bill. I desire only to make a very short statement in regard to this legislation. In the first place I want to make it plain to the Members of the House that this is neither a wet nor dry proposition, and it should not be considered by the Members of the House from that standpoint. It has been recognized in the Constitution, in the law for the enforcement of the eighteenth amendment, and also by decisions of the various courts that the Federal Government is in duty bound to furnish the necessary medicinal spirits for medicinal purposes. This can not be efficiently done under the present act. It has been the experience of the Treasury Department that if they even tried that they would get into a great deal of trouble in administering the present law, for it is very indefinite in this respect. That is one reason for bringing forward this proposed legislation, and it comes as the result of the experience of the department in trying to administer the present law.

At the present time there are about 9,000,000 gallons of spirits in this country, representing a supply of practically four and a half years, as we are using at the present time for medicinal purposes about 2,000,000 gallons per year.

For this reason it is necessary to bring up this legislation and have it passed at the present session. It is admitted by the people who are experts on medicinal spirits that it takes about four years for liquor to be properly aged in charred barrels and before it can be used for medicinal purposes, and as we could not get any liquor properly distilled or start distilling it before the coming fall, because none of the distilleries are ready to start at once, and as there are only four and a half years' supply on hand at the present time, this makes it very essential that the legislation should be enacted into law before the close of the present session.

In general, the pending bill provides for the purchase of the present supply by the permittees under the bill. It does not call for the expenditure of a single dollar out of the Federal Treasury. It also provides for the bottling of the present supply, which can not be done under the present law; and if done at once, it will further conserve the present supply. Also it provides for the concentration of all of this medicinal liquor in six bonded warehouses. It is now in 31 bonded warehouses. It also provides for the issuing of permits for the manufacture of liquor to experienced distillers, not less than two nor more than six, which assures reasonable competition and as economical manufacture as possible.

The best part of this bill, perhaps, is that it does not provide for the expenditure of a single dollar out of the Treasury of the United States, and we are confidently assured that the administration of the proposed law over the present one will save \$1,000,000 a year to the Federal Government.

No one claims this is the best possible legislation in the world, but it is the best thing that can be presented at this time, and to a reasonable degree takes care of the future supply of medicinal spirits. And, as I understand it, it has the approval not only of the representatives of the dry forces but the representatives of the wets, and it comes to the House at this time with the unanimous approval of the Ways and Means Committee and of the Rules Committee. I feel it is essential legislation, that it is emergency legislation, that it can be conscientiously supported by all, and should be passed by the House at this time.

Mr. SUMMERS of Washington and Mr. GREEN of Florida rose.

Mr. SNELL. I yield first to the gentleman from Washington. Mr. SUMMERS of Washington. Wherein does the Constitution recognize medicinal liquor?

Mr. SNELL. In the fact that it only prohibits it for beverage purposes.

Mr. SUMMERS of Washington. It prohibits the manufacture, sale, and transportation of beverage liquor.

Mr. SNELL. And in that way it has been construed by the court as recognizing it for medicinal purposes.

Mr. LA GUARDIA. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. LA GUARDIA. Then in order to make it comply with the constitutional provision with respect to whisky used as a medicine, how is it to be administered?

Mr. SNELL. I am not going to get into any constitutional discussion of this question. If the gentleman has a question to ask me which I can answer and applies to the matter before the House, I will be very glad to do so.

Mr. GREEN of Florida. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. GREEN of Florida. Does not the gentleman think it would be much better to discontinue the manufacture of liquor altogether and let the department give out this captured or confiscated liquor?

Mr. SNELL. I do not think I care to answer that question at the present time.

Mr. BLANTON. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. BLANTON. The gentleman says this bill has the approval of both the wets and the dries. Does he mean by that statement that Mr. Mellon and General Andrews have approved it?

Mr. SNELL. I do.

Mr. BLANTON. And who else?

Mr. SNELL. Oh, I can not give the names of all the various people who have indorsed it, but the representatives who come here and who generally say they speak for these organizations have approved this bill; at least that is the information that came to the Rules Committee, and I am so informed by the gentleman who has charge of the bill, the gentleman from Oregon [Mr. HAWLEY].

Mr. BLANTON. The wets and the dries embrace 110,000,000 people, and the committee has held no public hearing on this bill—

Mr. SNELL. Oh, the Ways and Means Committee held hearings for weeks, and the gentleman knows it.

Mr. BLANTON. I am talking about open public hearings on this bill.

Mr. GREEN of Iowa. Yes; we held open, public hearings.

Mr. BLANTON. Yes; on the Green bill, which was killed in committee by a vote of 16 to 8. Here is an advertisement in this morning's paper by the retail druggists, consisting of an entire page, saying they have been given no opportunity to be heard. And on this Hawley bill now before us no open hearings were held.

Mr. SNELL. I know about certain things in that advertisement that are not true, although I do not know about all of it, but in a general way I believe it to be a misrepresentation of the facts.

Mr. BLANTON. They claim they have not been heard and that no public hearings was held, and I am getting letters and telegrams from prominent dries over the country, including men like Col. Herman P. Faris, a prominent Republican, who has been a dry all his life and a leader of the dries in the State of Missouri for years, and he is not in favor of this bill.

Mr. SNELL. There are probably individuals on both sides of this question all over the United States who are not in favor of this legislation. I have never known any legislation to be passed here that had the approval of every individual in the country, but I know that the Ways and Means Committee has discussed this matter and held public hearings on the matter for weeks. The bill has been very carefully considered by the committee. No one on the committee opposed the reporting of it, and on the whole it is a pretty good bill.

Mr. BLANTON. I want to deny the fact that the chairman of the Committee on Rules [Mr. SNELL] can speak for either the wets or the dries of this country.

Mr. SNELL. I did not pretend to speak for either one. I have never assumed such authority unto myself on the floor of the House, and I think any man who does is very foolish. Furthermore, I have never contended with anyone for leadership in either cause.

Mr. BLACK of New York. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. BLACK of New York. It seems to me this is a health matter instead of a wet and dry question. What do the health associations say about it?

Mr. SNELL. They are for it. The ones that have sent any information to the Committee on Rules about it are in favor of it.

Mr. BLACK of New York. Are the names of the ones who are in favor of it in the RECORD?

Mr. SNELL. I have not the names of any such organizations before me.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. GREEN of Iowa. I will say to the gentleman from Texas, illustrating how correct the statements are in the advertisement to which the gentleman referred, that the representatives of the retail druggists were heard at great length before our committee at a public hearing.

Mr. SNELL. Mr. Speaker, I reserve the balance of my time.

Mr. BANKHEAD. Mr. Speaker and gentlemen of the House, the chairman of the Committee on Rules very correctly stated that this rule was brought in by the unanimous action of the Committee on Rules. It was represented to the committee that this was not only an important matter of administration and recommended by the Treasury Department, but the bill came before our committee with the unanimous report of the Committee on Ways and Means. Carrying out the policy of our committee, generally speaking, to expedite legislation, it received the unanimous support of the Committee on Rules; but in voting for the reporting of the resolution—and I shall vote for the adoption of the rule merely in order to give this matter consideration—I want to say, Mr. Speaker, I am opposed to this bill. [Applause.] In the time I have remaining of my three minutes, under the rule, I will not have an opportunity to present any views in opposition; but when we get into the House, unless some member of the Ways and Means Committee who is opposed to this bill asks for recognition, I shall ask for recognition in opposition to the bill. With this statement I now yield back any time I may have remaining.

Mr. SNELL. Mr. Speaker, the gentleman from Texas [Mr. GARNER] made his usual interesting speech and usual attack on the Treasury Department. He spent practically all of his time talking about something not before the House at this time and wound up his speech by saying he would vote for the bill. Therefore, Mr. Speaker, I move the previous question and ask for a vote on the resolution.

The SPEAKER pro tempore. The question is on the adoption of the resolution.

The question was taken, and the Speaker announced the ayes appeared to have it.

On a division (demanded by Mr. LINTHICUM) there were—ayes 107, noes 54.

Mr. LINTHICUM. Mr. Speaker, I object to the vote and make the point of order there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After a pause.] There is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—ayes 234, noes 111, not voting 87, as follows:

[Roll No. 37]

YEAS—234

Adkins	Cannon	Fitzgerald, W. T.	Hoch
Aldrich	Carpenter	Fletcher	Hogg
Allen	Carss	Fort	Holiday
Allgood	Chalmers	Foss	Hooper
Almon	Chindblom	Frear	Houston
Andresen	Clague	Free	Hudson
Andrew	Cole	Freeman	Hull, Morton D.
Arentz	Collier	French	Hull, William E.
Aswell	Collins	Frothingham	Jacobstein
Ayres	Colton	Fulmer	James
Bacharach	Connally, Tex.	Funk	Jeffers
Bachmann	Connolly, Pa.	Furlow	Johnson, Ill.
Bacon	Cooper, Wis.	Garber	Johnson, Ind.
Bailey	Cox	Garner, Tex.	Johnson, S. Dak.
Bankhead	Crisp	Glynn	Johnson, Wash.
Barbour	Crowther	Graham	Kearns
Barkley	Dallinger	Green, Fla.	Kemp
Beedy	Darrow	Green, Iowa	Kerr
Berger	Deal	Griest	Kiess
Bowles	Dempsey	Hadley	Kincheloe
Bowman	Denison	Hale	Knutson
Box	Dickinson, Mo.	Hall, Ind.	Kopp
Briggs	Doughton	Hammer	Kvale
Brigham	Drane	Hardy	LaGuardia
Browne	Drewry	Haugen	Lazaro
Brumm	Eaton	Hawley	Lea, Calif.
Bulwinkle	Elliot	Hayden	Leatherwood
Burness	Ellis	Hersey	Leavitt
Burton	Englebright	Hickey	Letts
Butler	Faust	Hill, Ala.	Lineberger
Byrns	Fenn	Hill, Md.	Little
Campbell	Fish		Lozier

Luce	Oldfield	Sinclair	Tucker
Lyon	Parker	Sinnot	Underwood
McDuffie	Parks	Smith	Updike
McFadden	Patterson	Snell	Vaile
McLaughlin, Mich.	Peery	Speaks	Vincent, Mich.
McMillan	Perkins	Spearing	Vinson, Ga.
MacGregor	Perlman	Sproul, Ill.	Vinson, Ky.
Magee, N. Y.	Pratt	Stalker	Wainwright
Major	Rainey	Stegall	Wason
Mapes	Ramseyer	Stedman	Watres
Martin, La.	Rankin	Stobbs	Watson
Martin, Mass.	Ransley	Strong, Kans.	Weaver
Menges	Rathbone	Swartz	Welch, Calif.
Merritt	Reece	Sweet	Welsh, Pa.
Michaelson	Reed, Ark.	Swing	White, Kans.
Michener	Reed, N. Y.	Taber	White, Me.
Miller	Reid, Ill.	Taylor, Colo.	Whittington
Milligan	Robinson, Iowa	Taylor, N. J.	Williamson
Moore, Ohio	Robison, Ky.	Temple	Wilson, La.
Moore, Va.	Rogers	Thatcher	Winter
Morgan	Romjue	Thompson	Wolverton
Murphy	Rubey	Thurston	Wood
Nelson, Me.	Sabath	Tillman	Woodruff
Nelson, Mo.	Sanders, N. Y.	Tilson	Wyant
Newton, Minn.	Sandlin	Timberlake	Zihlman
O'Connell, R. I.	Scott	Tolley	
O'Connor, La.	Shreve	Treadway	

NAYS—111

Ackerman	Dickstein	Ketcham	Quayle
Appleby	Dominick	Kindred	Quin
Arnold	Douglass	Kirk	Ragon
Auf der Heide	Dowell	Lampert	Rouse
Beers	Driver	Lanham	Rutherford
Black, N. Y.	Dyer	Lankford	Sanders, Tex.
Black, Tex.	Edwards	Larsen	Schafer
Bland	Eslick	Lindsay	Schneider
Blanton	Evans	Linthicum	Shallenberger
Bloom	Fisher	Lowry	Simmons
Bowling	Gambrill	McClintic	Somers, N. Y.
Boylan	Gardner, Ind.	McKeown	Sproul, Kans.
Browning	Gasque	McLeod	Stevenson
Buchanan	Gibson	McReynolds	Strong, Pa.
Bushy	Gilbert	McSwain	Summers, Wash.
Canfield	Griffin	Magrady	Summers, Tex.
Carew	Hall, N. Dak.	Manlove	Swank
Carter, Okla.	Harrison	Mooney	Taylor, Tenn.
Celler	Hastings	Moore, Ky.	Taylor, W. Va.
Chapman	Hill, Wash.	Morehead	Thomas
Cochran	Howard	Morrow	Tydings
Conner	Huddleston	Norton	Upshaw
Cooper, Ohio	Hudspeth	O'Connell, N. Y.	Warren
Corning	Johnson, Ky.	O'Connor, N. Y.	Weller
Crosser	Johnson, Tex.	Oliver, Ala.	Whitehead
Cullen	Jones	Oliver, N. Y.	Williams, Tex.
Davis	Kahn	Peavey	Wright
Dickinson, Iowa	Keller	Prall	

NOT VOTING—87

Abernethy	Fairchild	Leibach	Smithwick
Anthony	Fitzgerald, Roy G.	McLaughlin, Nebr.	Sosnowski
Beck	Fredericks	McSweeney	Strother
Begg	Gallivan	Madden	Sullivan
Bell	Garrett, Tenn.	Magee, Pa.	Swoope
Bixler	Garrett, Tex.	Mansfield	Tincher
Boies	Gifford	Mead	Tinkham
Brand, Ga.	Golder	Mills	Underhill
Brand, Ohio	Goldsborough	Montague	Vare
Britten	Gorman	Montgomery	Vestal
Burdick	Greenwood	Morin	Voigt
Carter, Calif.	Hare	Nelson, Wis.	Walters
Christopherson	Hull, Tenn.	Newton, Mo.	Wefald
Cleary	Irwin	Phillips	Wheeler
Coyle	Jenkins	Porter	Williams, Ill.
Cramton	Kelly	Pou	Wilson, Miss.
Crumpacker	Kendall	Purnell	Wingo
Curry	Kiefner	Rayburn	Woodrum
Davenport	King	Rowbottom	Woodyard
Davey	Kunz	Sears, Fla.	Wurzbach
Doyle	Kurtz	Sears, Nebr.	Yates
Esterly	Lee, Ga.	Seger	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Cramton (for) with Mr. Gallivan (against).  
Mr. Morin (for) with Mr. Woodrum (against).

General pairs:

Mr. Vare with Mr. Mead.  
Mr. Purnell with Mr. Pou.  
Mr. Cramton with Mr. Doyle.  
Mr. Madden with Mr. Kunz.  
Mr. Carter of California with Mr. Mansfield.  
Mr. Begg with Mr. Oliver of Alabama.  
Mr. King with Mr. Rayburn.  
Mr. Williams of Illinois with Mr. Hare.  
Mr. Anthony with Mr. Goldsborough.  
Mr. Wheeler with Mr. Davey.  
Mr. Leibach with Mr. Bell.  
Mr. Britten with Mr. Abernethy.  
Mr. Curry with Mr. Tydings.  
Mr. Gifford with Mr. Wilson of Mississippi.  
Mr. Jenkins with Mr. Cleary.  
Mr. Golder with Mr. Garrett of Tennessee.  
Mr. Vestal with Mr. Lee of Georgia.  
Mr. Kendall with Mr. Smithwick.  
Mr. Underhill with Mr. Wingo.  
Mr. Seger with Mr. Sullivan.  
Mr. Porter with Mr. Brand of Georgia.  
Mr. Newton of Missouri with Mr. Garrett of Texas.  
Mr. Mills with Mr. Montague.  
Mr. Kurtz with Mr. Sears of Florida.  
Mr. Tinkham with Mr. Greenwood.



Mr. Yates with Mr. Hull of Tennessee.  
Mr. Burdick with Mr. Beck.  
Mr. Coyle with Mr. Wefald.  
Mr. Esterly with Mr. Voigt.

The result of the vote was announced as above recorded.  
The SPEAKER. A quorum is present.  
The doors were opened.

#### CONFERENCE REPORT, NAVAL APPROPRIATION BILL

Mr. FRENCH. Mr. Speaker, I offer a conference report for printing under the rule.

The SPEAKER. The gentleman from Idaho offers a conference report, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 15641) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1928, and for other purposes.

The SPEAKER. Ordered printed.

#### MEDICINAL SPIRITS

Mr. HAWLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 17130.

Mr. JAREW. Mr. Speaker, something has been said about this being a unanimous report from the Committee on Ways and Means and I am going to claim the right to control the time in opposition to this bill, because I have been opposed to it both in the committee and here. Before that motion is put I would like to have the gentleman from Oregon understand if he is to control the time in favor of the bill I am going to ask recognition in opposition to the bill.

The SPEAKER. The Chair thinks the gentleman is entitled to recognition. The question is on the motion of the gentleman from Oregon.

The question was taken, and the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 17130, with Mr. MICHENER in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 17130, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 17130) to conserve the revenues from medicinal spirits and provide for the effective Government control of said spirits, to prevent the evasion of taxes, and for other purposes.

Mr. HAWLEY. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

Mr. BLANTON. Mr. Chairman, reserving the right to object, if the gentleman will couple with that request that the bill be printed at this juncture without reading I shall not object. This bill needs to go in the Record.

Mr. HAWLEY. I have no objection.

The CHAIRMAN. Is there objection?

Mr. LINTHICUM. I object. Mr. Chairman, if the gentleman will couple with his request, as suggested by the gentleman from Texas, that this be printed in the Record I withdraw my objection.

The CHAIRMAN. The gentleman withdraws his objection.

The Clerk began the reading of the bill.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that the bill be printed in the Record without reading.

Mr. O'CONNOR of New York. Mr. Chairman, I renew the objection which has been withdrawn; I think it ought to be read.

The CHAIRMAN. Objection is heard, and the Clerk will read.

The Clerk read as follows:

[H. R. 17130, 69th Cong., 2d sess.]

A bill to conserve the revenues from medicinal spirits and provide for the effective Government control of such spirits, to prevent the evasion of taxes, and for other purposes

Be it enacted, etc.—

That as used in this act—

(a) The term "person" means an individual, partnership, association, or corporation.

(b) The term "distilled spirits" means whisky, brandy, rum, gin, and other distilled spirits, except alcohol.

(c) The term "warehouse" means any bonded warehouse, including any general, special, distillery, concentration, or customs bonded warehouse and any tax-paid warehouse.

#### MANUFACTURE

SEC. 2. (a) To the extent necessary in the opinion of the Secretary of the Treasury to maintain stocks of distilled spirits suitable for medicinal and nonbeverage purposes in a quantity sufficient in each year to

supply the requirements therefor, the Secretary of the Treasury is authorized to issue permits for the manufacture of such distilled spirits by such persons as he may select, and for such periods, in such quantities, and subject to such other requirements as he may prescribe; except that—

(1) Not less than two and not more than six permits shall be outstanding at any one time.

(2) Each permit shall require manufacture according to formulas prescribed by the Secretary of the Treasury.

(3) A permit may be issued for any period expiring not more than 10 years after the 31st day of December next succeeding the issuance thereof. Such permit shall provide for manufacture in each year of such quantities as the Secretary of the Treasury shall from time to time prescribe.

(4) Permits may be renewed unless the permittee has failed to carry out in good faith the provisions of this act, the regulations issued thereunder, or the terms of the permit, or has violated any provision of law relating to intoxicating liquors.

(5) Each permit shall require that the permittee shall sell distilled spirits manufactured thereunder at a price not in excess of a fair and reasonable price, based on cost of manufacture, carrying charges, preparation for market, distribution, and a fair profit to the manufacturer; and the permittee shall at all reasonable times keep his books open for inspection by the Secretary of the Treasury or his representatives.

(6) The permittee shall be required to comply with the provisions of section 5, relating to the acquisition of existing stocks of distilled spirits.

(b) The Secretary of the Treasury may revoke any permit issued under this section if the permittee has violated the provisions of this act, the regulations issued thereunder, the terms of the permit, or any provision of law relating to intoxicating liquors.

(c) No permit shall be issued under this section for the manufacture of distilled spirits in any State the law of which prohibits the manufacture, sale, or use of distilled spirits for medicinal purposes.

#### CONCENTRATION

SEC. 3. In order to conserve the revenues, prevent the evasion of taxes, and provide for the more effective enforcement of national prohibition, all the existing stocks of distilled spirits held in warehouses shall, within two years from the approval of this act and under regulations to be prescribed by the Secretary of the Treasury, be concentrated in not more than six concentration internal-revenue bonded warehouses consisting of one or more buildings or parts thereof, with land necessary therefor (including a tax-paid warehouse in connection with each), owned or leased by permittees under section 2 and authorized by the Secretary of the Treasury to be maintained by such permittees. Such warehouses shall be located at such places as the Secretary of the Treasury may determine. After the expiration of such two-year period, no permit shall be issued for the maintenance, and no permit then in force shall authorize the maintenance, of any warehouse other than those authorized under this section. As a condition to the issuance of the permit for any warehouse authorized to be maintained under this section, the permittee shall comply with such regulations as the Secretary of the Treasury may prescribe as to the bottling, storing, and handling of distilled spirits in, and the conduct of, the warehouse, including maximum rates to be charged for bottling, storage, and other services. Any concentration internal-revenue bonded warehouse authorized to be maintained under this section, including the tax-paid warehouse in connection therewith, is referred to hereinafter in this act as an authorized concentration or tax-paid warehouse.

#### BOTTLING OF EXISTING STOCK

SEC. 4. In order to conserve the revenues, prevent the evasion of taxes, and provide for the more effective enforcement of national prohibition, the Secretary of the Treasury is authorized in his discretion to cause all or any part of the distilled spirits suitable and intended to be used for medicinal purposes in any warehouse to be bottled at such times and under such terms and conditions as he shall by regulation prescribe and as shall be in accordance with law. In case any distilled spirits are unsuitable for use for medicinal purposes solely by reason of the fact that such spirits are not of standard strength as to proof, the Secretary of the Treasury may by regulation provide for the raising of the proof of such distilled spirits to 100 per cent proof by the addition of spirits of the same kind and season's production and produced by the same producer, or, if such spirits are not available, then by the addition of other spirits of the same kind, in order to raise such spirits to 100 per cent proof. Such mixing of distilled spirits for the purposes stated shall not be held to be rectification, and the mixture may be bottled in bond under regulations of the Secretary of the Treasury.

#### ACQUISITION OF EXISTING STOCK

SEC. 5. (a) Permittees under section 2 shall acquire distilled spirits only at a price which is the fair and reasonable value of the spirits, and in no case at a price in excess of the sum of (1) the fair market value at warehouses on December 1, 1926, of distilled spirits of like kind, age, and quality, and (2) the charges and expenses necessary for carrying the distilled spirits from December 1, 1926, to the date of

acquisition. Such acquisition shall be made without discrimination between the owners of such spirits. All contracts for the acquisition of such spirits shall, before performance in whole or in part, be submitted by the permittee to the Secretary of the Treasury for his approval or disapproval of the terms thereof. In case any such contract submitted by the permittee is not approved, the contract may be submitted to a board of arbitration selected as provided in subdivision (b). The Secretary of the Treasury shall approve or disapprove the contract in accordance with the decision of the board of arbitration. No permit shall be issued to purchase distilled spirits covered by such contract unless such contract has been approved under this section.

(b) Each board of arbitration shall be constituted as follows: The contracting party proposing to sell shall select one member, the Secretary of the Treasury shall select a second member, and the individuals so selected shall select the third member. Members of such boards shall receive a reasonable compensation, to be fixed by the Secretary of the Treasury, but not exceeding \$25 per diem, and traveling and other actual expenses incurred while engaged on the business of the board. The seller and purchaser under the contract shall each pay one-half of such compensation and expenses. The Secretary of the Treasury may prescribe all needful regulations in respect of such boards of arbitration.

#### DISTRIBUTION

SEC. 6. (a) Whenever the Secretary of the Treasury finds that distilled spirits in the amount of 5,000,000 gallons have been concentrated in authorized concentration or tax-paid warehouses, he shall by order promulgate such finding. Commencing 30 days after the date of such order, distilled spirits shall not be acquired by any person, other than a permittee under section 2, except (1) from stock in authorized concentration or tax-paid warehouses, or (2) from stock forfeited to the United States, or (3) in retail quantities from retail druggists.

(b) The Secretary of the Treasury may by regulation require the transportation of distilled spirits acquired from an authorized concentration or tax-paid warehouse to be made in whole or in part direct by railway express from the warehouse to retail druggists or other persons authorized under existing law to receive and use distilled spirits for nonbeverage purposes.

(c) If the Secretary of the Treasury finds that any person authorized to sell distilled spirits at retail has, after the approval of this act, sold any distilled spirits for more than their fair market value, he is authorized to revoke the permit of such person.

#### DISTINCTIVE BOTTLES—LABELING

SEC. 7. (a) All distilled spirits bottled under section 4 and all distilled spirits manufactured under section 2 and bottled—

(1) Shall be placed in distinctive bottles made under permit of, and in accordance with a design approved by, the Secretary of the Treasury;

(2) Shall be tested as to their character and quality at the time of bottling in accordance with regulations prescribed by the Secretary of the Treasury;

(3) Shall bear upon the bottles in which contained a label, made under permit of, and in accordance with a design approved by, the Secretary of the Treasury, certifying that the spirits are medicinal spirits bottled under the medicinal spirits act of 1927, and stating such other facts in such manner as the Secretary of the Treasury may by regulation prescribe;

(4) Shall, when withdrawn from an authorized concentration or tax-paid warehouse pursuant to a permit to purchase, bear upon the label of each bottle a statement, in accordance with regulations prescribed by the Secretary of the Treasury, of the price at which the bottle of spirits has been sold to the permittee holding the permit to purchase. The term "price" as used in this paragraph means that part of the total price under the contract of sale which is attributable to such bottle of spirits upon a basis of delivery in a deliverable state to the permittee at the authorized concentration or tax-paid warehouse from which withdrawn; and

(5) Shall not bear upon the bottles to which contained any label, brand, mark, trade-mark, or trade name, except such as are required by law or may be authorized hereafter by the Secretary of the Treasury. This paragraph shall apply only to distilled spirits manufactured under section 2.

(b) Commencing six months after the approval of this act, no permit shall be issued for the purchase, and no permit then in force shall authorize the purchase, of distilled spirits by any retail druggist or physician unless such spirits are medicinal spirits bottled under this act.

(c) Any person (1) who knowingly forges, counterfeits, or falsely makes any label approved under this section, or uses, attempts to use, possesses, distributes, obtains, accepts, or receives any such label knowing it to be forged, counterfeited, or falsely made, or to be used unlawfully, or to have been procured by fraud or unlawfully obtained, or (2) who, except under permit of the Secretary of the Treasury, knowingly designs, engraves, sells, or has in his control or possession any plate in the likeness of a plate used for any such label, or makes any plate, photograph, or impression of any such likeness, or has in his possession, a distinctive paper for use for any such label, shall,

upon conviction thereof, be fined not more than \$2,000 or imprisoned for not more than two years, or both.

(d) Any person who with intent to defraud, alters, mutilates, destroys, obliterates, or removes any label required under this section to be placed upon any bottle containing medicinal spirits bottled under this act, so long as such spirits are held for resale, shall upon conviction thereof be fined not more than \$1,000 or imprisoned for not more than one year, or both.

(e) Any person (1) who, except as permitted under regulations prescribed by the Secretary of the Treasury, knowingly sells, or holds, or offers for sale except in the original unopened bottle, and distilled spirits bottled under this act, or (2) who knowingly counterfeits or falsely makes any distinctive bottle approved under this section, or uses, attempts to use, possess, distributes, obtains, accepts, or receives any such bottle knowing it to be counterfeited or falsely made, or to be used unlawfully, or to have been procured by fraud or unlawfully obtained, or (3) who, except under permit of the Secretary of the Treasury, knowingly designs, sells, or has in his control or possession any mold in the likeness of a mold used for any such bottle, or (4) who, except under permit of the Secretary of the Treasury, knowingly refills, in whole or in part, with any liquid any distinctive bottle approved under this section and sells, or holds, or offers for sale such liquid in such bottle, shall, upon conviction thereof, be fined not more than \$2,000, or imprisoned not more than two years, or both.

#### IMPORTATION

SEC. 8. If the Secretary of the Treasury at any time finds that the available stocks of distilled spirits, suitable for medicinal purposes of any class or kind, are insufficient to meet the demand for distilled spirits of such class or kind for use for medicinal purposes, he is authorized to issue permits for the importation of such distilled spirits by such persons, for such times, in such quantities, and subject to such other requirements as he may prescribe.

#### SEPARABILITY OF PROVISIONS

SEC. 9. If any provision of this act is declared unconstitutional, or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

#### EXISTING LAW

SEC. 10. (a) The provisions of this act shall not be held to repeal any provision of the existing laws pertaining to intoxicating liquors or regulations or permits thereunder, unless in direct conflict with such laws or regulations.

(b) The provisions of this act shall not apply to the manufacture of grape brandy for fortification of sweet wines, or of rum for denaturation, or for export for nonbeverage purposes, or for use for nonbeverage purposes in customs bonded manufacturing warehouses, nor to the concentration, bottling, or distribution of such brandy or rum.

#### SHORT TITLE

SEC. 11. This act may be cited as the "medicinal spirits act of 1927."

The CHAIRMAN. The gentleman from Oregon [Mr. HAWLEY] is recognized for one hour in favor of the bill.

Mr. HAWLEY. Mr. Chairman and gentlemen of the House, this bill deals solely with pure medicinal spirits recognized by the eighteenth amendment and the existing laws for its enforcement and deals with the conservation, concentration, and better control of existing stocks, as well as of stocks to be made for replenishment, and with better control of the manufacture of new stocks of such spirits. H. R. 17130 proposes to effect the purposes of existing legislation at less expense to the Government and more efficiently.

Mr. KINDRED. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Oregon yield for a parliamentary inquiry?

Mr. HAWLEY. Not if it is to be taken out of my time.

Mr. KINDRED. Who has control of the time in opposition?

The CHAIRMAN. The gentleman from New York, as I understand.

Mr. HAWLEY. The bill, I repeat, proposes to do two things which the department has found necessary by the experience and information obtained. It proposes better methods for the manufacture of replenishment stocks and the handling of existing stocks with less machinery, and reduces the costs of administration and the costs to all others concerned, including those who use the spirits. It also assures the purity and soundness of the medicinal spirits. It does not modify existing law in any principle. It simply extends the principles upon which the existing law is based, or modifies rather than extends them for a more effective control of the conditions now confronting the country.

Under existing law when the stock of medicinal spirits in this country has been reduced by use until there is only about



a four-year supply on hand, the Treasury Department is required to issue permits for the manufacture of replenishment stocks, as spirits must be aged four years in charred barrels before they can be used as medicinal spirits. The Attorney General's office has advised the department that when replenishment becomes necessary, and permits are issued for that purpose, under existing law they will have to be issued to all who have like qualifications. Such permits will have to be issued this fall, as we understand. If these permits are issued to any one person—and there are 15 applications already pending—then other persons properly and correspondingly qualified can compel permits to be issued to them.

There were some 300 permittees or manufacturers before prohibition, and if the present law remains unchanged without a limit on the number of those to whom licenses must be given, we will have the condition as it was many years ago with distilleries manufacturing medicinal spirits scattered all over the country.

If this bill becomes a law, it will neither hasten nor delay the date at which the manufacture of medicinal spirits will begin.

Mr. CELLER. Mr. Chairman, will the gentleman say that the Secretary would not have the right to say that the commissioner should not issue as many permits and grant as many applications for permits as have been made to him? Would he not have some discretion to grant or refuse under the present law?

Mr. HAWLEY. The Attorney General has advised the department, after examination of decisions, that when the issuance of permits is begun permits would have to be issued to all applicants with qualifications similar to those who had been granted them and that the courts would compel this to be done.

Mr. CELLER. As I understand it, the situation is quite the contrary.

Mr. HAWLEY. I base my statement on the authority given. The bill limits the number of distilleries to not less than two nor more than six. If only two permits are given, it is understood that one will be for Bourbon and one for rye. Four more permits may be issued in case of emergency or in case it is thought two distilleries do not produce satisfactory competition or that prices are unreasonable. This will greatly reduce the cost of the administration of the law.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield for a question?

Mr. HAWLEY. I regret I can not. I must take only 10 minutes.

When prohibition went into effect there were about 69,000,000 gallons of liquor in the country known as medicinal spirits. This was authorized to be concentrated in 37 warehouses, which number has been reduced to 31. There are now about 10,000,000 gallons of medicinal spirits. No one can tell the exact gallonage until a regauge has been made.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield there?

Mr. HAWLEY. Yes.

Mr. BARKLEY. I am informed that last July it was reported that there were 46,000,000 gallons of medicinal whisky on hand.

Mr. CELLER. That was the original gauge, made back in 1923.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield there?

Mr. HAWLEY. Yes.

Mr. LINTHICUM. What is the annual consumption of liquor?

Mr. HAWLEY. The annual consumption of medicinal spirits is about 2,000,000 gallons a year.

Mr. SABATH. That is, for medicinal purposes.

Mr. HAWLEY. Yes. That is all that this bill deals with.

Mr. LINTHICUM. Do you undertake to say that these two distilleries shall produce a million dollars worth a year for consumption?

Mr. HAWLEY. If there are only two?

Mr. LINTHICUM. Yes.

Mr. HAWLEY. They will produce about 3,000,000 gallons a year, which at the end of four years, after evaporation, leakage, and so forth, will be reduced to about 2,000,000 gallons in a year. The number of gallons being reduced to 10,000,000, it is no longer necessary to keep 31 warehouses in use. We propose to reduce the number of concentration warehouses to six. This will reduce the cost of administration by \$1,000,000.

Mr. GARNER of Texas. Under the present law you can reduce it to six without further authority of law. The Treasury Department now can reduce it to six without an act of Congress?

Mr. HAWLEY. I believe so; but that it may be definitely settled the bill fixes the number at six. Six are amply sufficient to care for 10,000,000 gallons, which is the total amount, under present experience, that will be in them in order to provide a continuous supply.

Also since Congress must make the appropriations for the guarding, inspection, and so forth, of these warehouses, and since it involves a question of policy, it is believed that Congress should definitely fix the number.

Mr. GARNER of Texas. It seems to me strange they have not done it, if they have the authority.

Mr. HAWLEY. We propose at this time that all the spirits shall be bottled in distinctive bottles bearing distinctive labels; that only spirits so bottled and labeled can be sold, for the purpose of preventing diversion, protecting the purity of the spirits, and assuring to the Government the tax. If they are not bottled now, in four years the Government will lose in revenue from them about \$4,000,000; but by putting them in bottles and putting the bottles in concentration warehouses the Government will secure the tax on the full amount of existing spirits. The owners of the property will also be benefited in the preservation of their property.

Mr. LA GUARDIA. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Will the gentleman yield right there?

The CHAIRMAN. Does the gentleman yield?

Mr. HAWLEY. I prefer to make my statement. The gentleman will have time later.

Each manufacturer is required to conform to the existing law, the regulations, and the terms of his permit.

The Constitution prohibits the manufacture, sale, and transportation only of intoxicating liquors as a beverage; and the medical associations of the United States have urged that the manufacture be begun at once, because at the time the present stocks are consumed, if no manufacturing is done immediately—the spirits being made only in the spring and fall—there will be a time when none of this material will be available for medical purposes.

Health officers, hospital officials, and other agencies interested in pure medicines have strongly indorsed this bill. The associations both for and against prohibition are favorable to the bill. When it was voted on in the Committee on Ways and Means, there was not a vote against it. As to that I have refreshed my memory by talking with several members of the Ways and Means Committee, and they all agree with me.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. HILL of Maryland. I understood the gentleman to say that the organizations both for prohibition and against it are for this bill.

Mr. HAWLEY. I have information to that effect, and will include it in my remarks.

Mr. HILL of Maryland. As I read the hearings, on page 178, the Anti-Saloon League is for it, and on page 119 the Association Against Prohibition is for it.

Mr. HAWLEY. As I have said, the question of wet and dry is not involved, nor is it a partisan question. It is simply a question of conserving the present stock and the manufacture of new stocks of medicinal spirits, and the proper control of the manufacture, warehousing, and distribution of them.

Mr. GARNER of Texas. The gentleman from Maryland is referring to hearings held on a bill which the committee killed by a vote of 16 to 8. They are not the hearings on this bill. So far as I know, no associations, even for or against prohibition, have expressed themselves on this particular bill. I think the gentleman from Oregon ought to put in the Record just the information he has.

Mr. HAWLEY. I have already stated that I have in my possession information from all the associations in this country that I know of, for or against prohibition, as well as from other organizations favorable to the provisions and purposes of this bill, and I have not a word from any of them against it. The only organization that is represented to be unfavorable is that of the retail druggists. I think they have been given unsound and misleading statements, which is certainly true if they are relying upon statements similar to those given in full-page advertisements in the local press. However, another speaker will discuss this matter fully.

Mr. BLANTON. Will the gentleman yield for one question?

Mr. HAWLEY. If the gentleman will make it brief.

Mr. BLANTON. Section 3 of this bill is the only section in the bill that has gotten the approbation of any prohibitionist. Section 3 is the only worthy section in the whole bill, and if you take it out it is nothing in the world but a wet bill pure and simple.

Mr. HILL of Maryland. Does the gentleman from Texas think it is a wet bill?

Mr. BLANTON. It is so wet that I will not vote for it at all.  
Mr. SCHAFER. And it is so dry that I am not going to vote for it.

Mr. HAWLEY. I can not agree with the gentleman from Texas. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has 48 minutes remaining.

Mr. HAWLEY. The proposed legislation, adhering to the principles of existing laws, brings the legislation up to date and is based upon experience. The original legislation was largely for work in an untried field. Modifications in the methods of handling the existing stocks are for the interest and benefit of all concerned who have respect for law. It provides a simpler and less expensive method for handling them. When the original legislation was enacted no one could foretell what the annual consumption of medicinal spirits would be. We now know. The bill, based upon the information acquired by experience, contains the necessary provisions to provide for sufficient supplies, under proper control, in the interest of the Government and all others concerned.

If any person opposed to the use of liquors as medicinal spirits thinks that by defeating the pending bill he could thereby prevent the further manufacture of medicinal spirits, and the bill should not pass, the result would be that the department will be compelled to issue a large number of permits to distilleries scattered throughout the country, in which would be made spirits of varying quality with increased opportunities for diversion and would undo the work of years. When medicinal spirits are to be made for replenishment they should be made pure, without possibility of adulteration or cutting and conserved, cared for, and transported under conditions that assure their purity to the retail druggist and the sick for whose use they are intended.

Bootleggers can oppose the bill because it is adverse to their illegal operations.

The provision requiring the spirits to be bottled in distinctive bottles, with distinctive labels makes the sale in any other container to be known as illegal and that the seller is engaged in an illegal traffic.

It is not possible in the brief time at my disposal to state in full all the beneficial provisions of the bill nor to discuss the measure in detail. The committee gave weeks to the hearing, heard all who desired to discuss the matters involved in this bill, and they were heard at such length as they desired. The all but unanimous opinion, as expressed by the witnesses who represented all varieties of opinion on the prohibition question, was that legislation of this kind was urgently needed, and such was the conclusion of your committee.

In addition to its other features, the committee considered it essential that the bill should be workable, that its language should be clear and easily understood, and that its purposes should be plainly stated. This, we believe, we have accomplished.

The Treasury Department believes the bill effective and capable of successful administration, as well as being vital to the proper administration of enforcement.

TREASURY DEPARTMENT,  
ASSISTANT SECRETARY,  
Washington, February 16, 1927.

Hon. WILLIS C. HAWLEY,

House of Representatives.

MY DEAR MR. HAWLEY: I understand that you desire an expression from me as to whether H. R. 17130 meets the administrative requirements in the medicinal spirits emergency situation. I believe it does.

It limits permits to manufacture new spirits for replenishment, in the Secretary's discretion, to not less than two and not more than six distilleries, thus avoiding the serious alternative, under existing law, of having to grant an indefinite number; it also provides for concentration in glass of all existing stocks into not more than six concentration warehouses, and thus accomplishes most desirable conditions for law enforcement and economy, as well as conservation of existing stocks and increased tax revenue; it also provides for placing all existing spirits into distinctive bottles under distinctive labels, with severe penalties for imitation, adulteration, etc., and, most desirable for law enforcement, provides for direct shipment from concentration warehouse to retail druggist, eliminating all middlemen and commission agents; it provides for importation, if importation be necessary, to provide medicinal spirits of any given class or kind, an important provision in case of future need.

To sum up, I believe the bill will accomplish the two main administrative purposes that I had in mind in recommending legislation at this time. It makes provision for the future supply of medicinal whisky under proper control and, in the second place, it corrects those existing conditions which make it difficult to prevent the diversion of

medicinal whisky to beverage purposes and the adulteration of the supply actually sold in the retail trade for legitimate medicinal use.

Sincerely yours,

L. C. ANDREWS,  
Assistant Secretary.

The several associations favoring the eighteenth amendment and the legislation for its enforcement, which associations have nation-wide organizations, favor the principles and purposes contained in the proposed legislation. That their position may be accurately represented, letters from their accredited representatives are printed below:

LEGAL DEPARTMENT, THE ANTI-SALOON LEAGUE OF AMERICA,  
Washington, D. C., February 19, 1927.

Hon. WILLIS C. HAWLEY, M. C.,

Washington, D. C.

DEAR MR. HAWLEY: We have looked over your bill, H. R. 17130, relating to medicinal spirits, and find a number of helpful provisions in it relating to a better control of the distribution of such liquors. As an organization we are interested in those provisions of the bill which we believe make for better enforcement of the prohibition laws.

The national prohibition act, which prohibits the manufacture and sale of intoxicating liquors for beverage purposes, but does not prohibit them for medicinal purposes, places the responsibility upon the Treasury Department for the supervision of the supply, sale, and distribution of liquors for such medicinal purposes except in States where it is prohibited by State enactments.

H. R. 17130 sets forth methods proposed to meet this responsibility and to prevent the diversion of such liquors to beverage purposes as follows:

The reduction of the cost of administration; the providing of heavy penalties for the unlawful use of various labels, brands, and trademarks used by the bootleg industry; the concentration of all whisky from 37 bonded warehouses into 6; the limiting of replenishment of medicinal whisky supply to the operation of not more than six distilleries, whereas under the present law as many as might apply would have to be considered; the elimination of the bootleggers' supply of domestic bonded whisky for flavoring and coloring his alcoholic beverages; the provisions for the maximum of supervision of the distribution of medicinal spirits; the provision for the direct distribution of medicinal whisky from concentration warehouses to the retail distributor; and other eliminations which prevent opportunities for diversion and will aid law enforcement.

We suggest that you consider the advisability of reducing the number of distilleries that may be authorized to manufacture medicinal whisky as not to exceed four. There is no question but that six is more than sufficient to make the needed supply. Also a provision to eliminate sales agents by distillers to drum up trade, confining solicitation to correspondence by mail with retail druggists holding permits to sell.

If there is any doubt that the distiller should be required to give bond, this should be added. It is not mentioned, but is authorized under the existing law.

A provision penalizing the forging, uttering or possession of forged prescriptions would also be helpful in confining the distribution to strictly medicinal use, if such a provision would be germane to the bill. No adequate penalty for this offense is provided by existing law.

It would be helpful also to require that the whisky on hand, not already regauged, be regauged before manufacture is renewed in order to determine accurately the amount on hand.

We suggest these amendments in the interest of strengthening the bill, which seems to us, as a whole, will be an aid in law enforcement.

Yours cordially,

F. SCOTT MCBRIDE,  
General Superintendent.  
W. B. WHEELER,

General Counsel and Legislative Superintendent.

BOARD OF TEMPERANCE, PROHIBITION, AND  
PUBLIC MORALS OF THE METHODIST EPISCOPAL CHURCH,  
Washington, D. C., February 17, 1927.

Hon. WILLIS C. HAWLEY,

House of Representatives, Washington, D. C.

MY DEAR FRIEND: I want to congratulate you upon what seems to be a proper solution of the very vexing question as to how the Government can furnish medicinal spirits without contributing to the possibility of their diversion to beverage purposes.

Your bill, as reported from the committee, seems to me a happy solution of this problem, though, dealing with the kind of men we have to encounter in the liquor business, no law will operate very smoothly that puts any restrictions on them. So far as I can see, your bill carries out the constitutional amendment and properly safeguards the handling of liquors so as to keep it out of the hands of bootleggers. I want to congratulate you and wish you every success in having it enacted into law, for I am sure the department would have to handle



the subject anyway and it would be very much better to have it handled under a strict regulation, such as the bill provides, than to leave it to individuals to construct a method for carrying out the constitutional provisions.

Thanking you for the great pains you have taken in listening to all sides and, finally, constructing this statesmanlike piece of legislation, I am,

Sincerely your friend,

CLARENCE TRUE WILSON,  
General Secretary.

THE NATIONAL TEMPERANCE BUREAU,  
Washington, D. C., February 17, 1927.

Hon. WILLIS C. HAWLEY, M. C.,

House of Representatives, Washington, D. C.

MY DEAR MR. HAWLEY: On January 14, when H. R. 15301 was being considered by the Ways and Means Committee, I took occasion to write the chairman of that committee, Mr. GREEN, expressing my approval of the principles embodied in the proposed legislation.

Now, as the bill introduced by yourself, H. R. 17130, has been reported to the House with the recommendation that it do pass, permit me to say that the sentiments I expressed concerning the former bill apply to this later bill by yourself.

Concentration of all existing stocks of spirits should have been effected when the eighteenth amendment became operative, and I believe that this section of your bill, section 3, is essential for the supervision and distribution of alcohol and spirits through legitimate channels only. I believe that the methods provided in this bill for the manufacture and distribution of spirits for legitimate purposes would materially aid in better control of such spirits and therefore should have the support of those who favor the enforcement of the law.

Very sincerely yours,

EDWIN C. DINWIDDIE, Superintendent.

FEBRUARY 18, 1927.

Hon. W. C. HAWLEY,

House of Representatives, Washington, D. C.:

The National Woman's Christian Temperance Union desires to express its interest in H. R. 17130, and particularly indorses the following provisions in revised medicinal spirits bill: Those preventing diversion medicinal spirits for beverage purposes, providing severe penalties for imitation labels, for stronger Government supervision, and for further concentration of existing supplies. We believe these provisions will very greatly help law enforcement.

ELLA A. BOOLE,

President National W. C. T. U., Evanston, Ill.

A nation-wide indorsement of the bill by health officers, hospital officials, and others interested in the public welfare is also indicated in the following printed statements:

ASSOCIATION AGAINST IMPURE LIQUOR,  
New York, N. Y., February 21, 1927.

Hon. WILLIS C. HAWLEY,

House of Representatives,

Washington, D. C.

MY DEAR SIR: I am sending you herewith clippings from to-day's New York newspapers, giving the result of a survey on the medicinal bill and reflecting the viewpoint of outstanding health officers, hospital officials, physicians, and laymen in all parts of the country urging the passage of this bill.

We trust that you will give their plea for immediate action to halt the bootleg menace your immediate consideration.

Very truly,

CHARLES CAPEHART.

P. S.—This, coming as it does, coincident with the statement of the head of the New York State health department—Dr. Matthias Nicoll—on the increase in alcoholic mortality, makes the need for the bill more urgent.

[From the New York Times, Monday, February 21, 1927]

REPORTS MANY BACK PURE LIQUOR BILL—ASSOCIATION GIVES OUT RESULT OF SURVEY ON MEDICINAL SPIRITS MEASURE—NAMES HEALTH LEADERS—DECLARES THAT BOTH WETS AND DRYS ARE IN FAVOR OF ACT PENDING IN CONGRESS

Health officers, hospital officials, physicians, and laymen from all parts of the country in response to queries from the Association Against Impure Liquor have sent telegrams indorsing the medicinal spirits bill, according to an announcement of the association yesterday. Dr. Charles Norris, medical examiner, is chairman of the association's advisory board.

The bill, now pending in Congress, seeks to place under Government supervision the existing supply of pure medicinal whisky. It is regarded as equally important for insuring the quality of the product on the one hand and preventing its diversion into bootleg channels

on the other. For this reason, the association points out, it is favored equally by both wets and drys.

The association, says the measure, has the approval of the United States Treasury Department, of the American Medical Association, and of many different organizations, both medical and lay.

Those mentioned as favoring the bill include Representative OGDEN L. MILLS, Howard Chandler Robbins, dean of the Cathedral of St. John the Divine; Robert W. De Forest; the Rev. Charles S. MacFarland, general secretary of the Federal Council of Churches of Christ in America; Dr. S. Adolphus Knox, Dr. Bernard S. Oppenheimer, Dr. C. L. Dana, chairman of the public health committee of the New York Academy of Medicine; Dr. James M. Anders of Philadelphia, Dr. David G. Wylie, president of the Lord's Day Alliance, and Dr. George A. Collins of Denver, Colo.

Hospital superintendents who indorse the bill include Renwick R. Ross, General Hospital, Buffalo; John F. Bush, Presbyterian Hospital; Louis C. Trimble, Post Graduate Hospital; Louis J. Frank, Beth Israel Hospital; James U. Norris, Woman's Hospital; and Thomas K. Robertson, New York Eye and Ear Infirmary.

Health officers who indorse the bill include Dr. E. T. Handley, Seattle, Wash.; Dr. Thomas Tetreau, Portland, Me.; Dr. J. W. Wiltse, Albany, N. Y.; Dr. Wilmer Krusen, Philadelphia, Pa.; Dr. Leon Banov, Charleston; Dr. A. C. Bulla, Raleigh, N. C.; Dr. W. W. Gray, St. Joseph, Mo.

Others signifying their approval include Sumner N. Blossom, editor of Popular Science Monthly; Louis S. Bishop; Richard E. Danielson, Boston; L. F. Barker, Baltimore; L. B. Anderson; Walter W. McLaren, Williamsport, Mass.; Dr. John C. Hemmeter and Emma Fox, Detroit.

[From the New York World, February 21, 1927]

MEDICINAL LIQUOR BILL WIDELY URGED—PASTORS JOIN PHYSICIANS IN ASKING PASSAGE OF MEASURE NOW IN THE HOUSE—TELEGRAMS TO DOCTOR NORRIS—PURE SUPPLY HELD VITAL FOR TREATING PATIENTS

Vigorous approval of the medicinal spirits bill now before the House of Representatives is expressed in a flood of telegrams from prominent citizens, both wet and dry, to Chief Medical Examiner Charles Norris, of New York City, chairman of the advisory board of the Association Against Impure Liquor.

The need of pure liquor for therapeutic purposes was emphasized by the physicians expressing their views.

Some of the telegrams follow:

Dr. C. L. Dana, chairman of the public health committee of the New York Academy of Medicine: I am strongly in favor of any measure that insures druggists having good brandy and whisky. The present situation favors the bootlegger.

REASONABLE PRICES STRESSED

Robert W. De Forest: I am personally in favor of any bill to insure a continuous supply of pure medicinal spirits in retail drug stores at reasonable prices which has your approval and that of the Treasury Department.

Dr. S. Adolphus Knopf: I most emphatically indorse bill to assure continuous supply of pure medicinal spirits in retail drug stores at reasonable prices to prevent the diversion of medicinal spirits to beverage use. With equal emphasis I indorse the proposed measure fixing severe penalties for imitating labels on domestic brands in bootleg hands.

Dr. Bernard S. Oppenheimer: Strongly urge passage medicinal spirits act before Congress. Necessary for sick and old people to be assured pure supply medicinal spirits.

Louis J. Frank, superintendent Beth Israel Hospital: I heartily indorse the medicinal spirits bill. It is essential that an adequate supply of good whisky is at hand always for medicinal purposes. In diabetes whisky is the food which raises the caloric value without causing harmful results. Whisky is very useful in acute respiratory infections.

OF VITAL IMPORTANCE

James E. Norris, superintendent Woman's Hospital: Medicinal spirits most essential and constantly needed in treatment of our patients. Consider assurance continuous supply pure medicinal spirits of vital importance.

John F. Bush, superintendent Presbyterian Hospital: Continuous supply pure medicinal spirits absolutely essential to good medical practice. Physicians at present are greatly hampered by impossibility of securing legal supply of pure medicinal spirits at reasonable prices.

Dr. David G. Wylie, president Lord's Day Alliance: Any bill that guarantees purity, supplies medical liquor at a reasonable price, puts heavy penalties on imitating labels, seeks to curb bootlegging, our national disgrace, should receive the support of all loyal citizens. Let us stop poisoning our people.

A DISTINCT NEED

Dr. Leon Banov, health officer, Charleston, S. C.: Although our State laws prohibit sale medical spirits, I can see a distinct need for such medication and heartily indorse any bill that prevents the sale

of impure and oftentimes dangerous beverages under the guise of pure liquor.

Dr. John C. Hemmeter, of Baltimore, declared he had observed poisoning from supposedly medicinal spirits containing higher alcohol. Others urging the bill included Dean Howard Chandler Robbins, of the Cathedral of St. John the Divine; the Rev. Charles S. MacFarland, general secretary of the Federal Council of Churches; and public health officers in various cities.

AMERICAN MEDICAL ASSOCIATION,  
BUREAU OF LEGAL MEDICINE AND LEGISLATION,  
Chicago, February 18, 1927.

Hon. WILLIS C. HAWLEY,  
*House of Representatives, Washington, D. C.*

SIR: I inclose herewith a confirmatory copy of a telegram sent to you on the 17th instant by Dr. Edward B. Heckel, chairman board of trustees, American Medical Association, relative to pending legislation looking toward the safeguarding of the supply of medicinal liquor.

Respectfully,

WM. C. WOODWARD,  
*Executive Secretary Bureau of Legal Medicine and Legislation.*  
CHICAGO ILL., February 18, 1927.

Hon. WILLIS C. HAWLEY,  
*House of Representatives, Washington, D. C.:*

The house of delegates of the American Medical Association in 1922 adopted a resolution, as follows:

"Resolved, That the house of delegates of the American Medical Association in convention assembled, representing a membership of over 89,000 physicians, appeals to the Secretary of the Treasury and to the Congress of the United States for relief from the present unsatisfactory conditions and recommends that provisions be made for supplying bonded whisky for medicinal use only at a fixed retail price to be established by the Government."

The board of trustees, in session February 17, 1927, indorses the bill now pending in Congress—H. R. 17130—in so far as it carries out the principles embodied in this resolution.

EDWARD B. HECKEL,  
*Chairman Board of Trustees.*

The Association Against Prohibition indorses the bill:

THE ASSOCIATION AGAINST THE  
PROHIBITION AMENDMENT (INC.),  
Washington, D. C., February 16, 1927.

Hon. WILLIS C. HAWLEY,  
*House of Representatives, Washington, D. C.*

DEAR MR. HAWLEY: We have just received a copy of your bill (H. R. 17130) providing for the manufacture of medicinal spirits.

I think I may fairly say that our organization is the only important wet organization doing work in the District of Columbia, and if we can do anything concrete to aid in securing the passage of this at the present session, you have only to call upon us and we will work with you.

Unfortunately, my business office is here in Baltimore, but if you will get in touch with our offices in Washington (709 Lenox Building, phone Main 997), our Mr. Hempstead will be glad to come to see you at any time and will then communicate with me, and our whole organization will do anything that you want done.

On the whole, we somewhat regret the alterations that have been made in the original bill proposed by General Andrews; nevertheless, we do feel, first, that those who are sick and actually need medicinal spirits will be greatly benefited by your bill and that health will be bettered and lives saved by it. Second, we believe that General Andrews and the Treasury Department generally are entitled to any help we can give to bring about conditions which will enable them to better administer the law.

In short, we are against the eighteenth amendment as being governmentally bad; we are against national prohibition as being impracticable; and we are against the Volstead Act as being in many respects a usurpation of power and as defeating the cause of real temperance through its fanatical clauses. However, in spite of all these things, we do believe that while the law is on the books we, and everybody else, while free to work for its alteration, should be earnest in our efforts to uphold the hands of its officers and to lift the great burden which this sort of legislation has laid upon them. To that end we are ready to work with you at the slightest hint.

Sincerely yours,

W. H. STAYTON,  
*National Chairman.*

Favorable statement is made by the representative of the operators of concentration warehouses and the present owners of considerable quantities of medicinal spirits.

WASHINGTON, D. C., February 18, 1927.

Hon. W. C. HAWLEY,

*House of Representatives, Washington, D. C.*

DEAR SIR: H. R. 17130, relating to medicinal spirits control, has come to my attention as counsel for concentration warehouse operators and owners of distilled spirits under existing law. My clients are, of course, deeply interested in this subject, as they are responsible as warehousemen for not less than 80 per cent of the existing medicinal spirits in bond and are large owners of medicinal spirits.

As I stated before the Ways and Means Committee respecting the first proposed single Government controlled corporation, my clients were in the position neither of approving nor opposing that measure. Some features therein tended to arouse question in their mind as to the workability of such a single corporation, to say nothing of the coercive provision therein which tended to divest existing owners of any independence in business operation with respect to their property. On the other hand, the measure seemed to be the only proposal then put forward to deal with the necessity of new production of medicinal spirits in the face of what is a certain exhaustion of existing stocks. My clients being fully familiar with the existing state of facts and the certain prospects of ultimate exhaustion of existing domestic supplies, fully realize that, unless some more definite provision for replenishment of stocks is created by Congress, the existing provision of the Willis-Campbell Act will be practically impossible of orderly administration.

The concentration warehousemen generally find the fundamental principles of the present bill feasible. These men believe that they can cooperate and privately finance two or more corporations, according to the provisions in that regard, and can over a period of time maintain fair prices for medicinal spirits, while at the same time providing funds for continuous crops of new spirits, to be marketed at fair prices in accordance with the provisions of the bill. At the same time the Government would effect savings in supervision and can secure the economies due to avoidance of evaporation and leakage in present stocks. Aside from these considerations the prime necessity for legislation of this kind at this time, as was stated before the Ways and Means Committee, is found in the problem of new production.

Two reasons exist for the limitation of manufacturing permits. In the first place if a large number of manufacturers engage in production, there is the danger that continuous crops in regular volume would not be produced, the production would be scattered, and in the small individual quantities the cost would be excessive, Government supervision expenses would be multiplied, and the entire operation would be uneconomical. It is, of course, undesirable to scatter the stocks. This would be contrary to the principle upon which the concentration provision was founded and would tend to difficulty of prohibition enforcement with respect to individual stocks maintained in many separate places.

In the second place, it is very doubtful whether the financing of new production, which will require the investment of capital in maturing stock for at least four years, would be feasible if a large number of individuals attempted to engage pro rata in manufacture. Experience in the concentration operation has shown that the warehousing of medicinal spirits and a fortiori, the more elaborate undertaking of manufacture can not safely be conducted either from the business standpoint or from the prohibition-enforcement standpoint, except by houses of substantial financial strength. Concerns in a falling financial condition are naturally subject to temptation to depart from the rigor of the prohibition laws when the profits possible thereby may recoup increasing losses. On the other hand, soundly financed establishments adhere strictly to the law, if for no other reason than to maintain the protection of their investment from any danger due to Government prosecutions.

There have been substantially no criticisms of the soundly financed concentration operations conducted by management experienced in the storage and handling of spirits. It is, of course, necessary in case of manufacture that men experienced in the art should be responsible for new production.

You may safely be assured that the existing interests in the business, if intrusted with manufacturing permits under the proposed law, would be fully competent both in a financial way and in business experience to conduct this further operation.

It should be kept in mind by Congress that the eighteenth amendment to the Constitution expressly reserves from the prohibition of that amendment distilled spirits for nonbeverage purposes, and, of course, the chief nonbeverage use for aged spirits is for medicinal purposes.

To this extent the eighteenth amendment constitutionalizes medicinal spirits, and as a pharmaceutical product medicinal spirits are exempt from the eighteenth amendment, except for the power of Congress to regulate their manufacture, control, and distribution in order that beverage uses thereof may be prohibited. Congress in this field is dealing with an ordinary pharmaceutical subject only to the power to regulate. Congress should, however, realize that no prohibition or non-



prohibition question is presented in dealing with the problem of assurance of supply of medicinal spirits thus expressly reserved in the eighteenth amendment. It may well be stated that it is the duty of Congress to assure proper stocks of these medicinal spirits. In fact, the original national prohibition act so provided, and the Willis-Campbell Act, supplemental thereto, shows that therein Congress again undertook to make arrangements regarding these supplies. It is only the unworkability of that act which makes necessary a further and more definite provision in this regard, full attention being given to the necessity of supply on the one hand and proper control thereof for prohibition enforcement on the other.

Medicinal spirits are truly a pharmaceutical product, and any failure of the public authority either through action or nonaction to secure supplies of this pharmaceutical product is in itself a negation of the constitutional provision.

In dealing with a State statute of Kentucky attempting arbitrarily to tax medicinal spirits after the adoption of the eighteenth amendment, Circuit Judge Denison, sitting on a special court of three Federal judges, enjoined State collection of the tax on the ground that the tax was confiscatory, and took occasion to point out that the constitutional and statutory prohibitions of intoxicating liquor as a beverage had gone far to remove the burden of public reprobation which formerly attended the general trade in beverage-distilled spirits, and concluded that these pharmaceutical products were by virtue of the changed state of the law subject to treatment as any other merchandise. (*Frieberg v. Dawson*, 274 Fed. 420.)

I mention this case as pertinent only in suggesting that Congress in dealing with this question should realize that no aspect can arise by virtue of difference of opinion on the fundamental question of prohibition policy. The prime topic in this matter is one of means of production of medicinal spirits, the necessity for a supply of which is already sanctioned by the constitutional amendment and existing general statutes.

Respectfully,

LEVI COOKE.

Mr. Chairman, I reserve the balance of my time.

Mr. CAREW. Mr. Chairman, I rise in opposition to the bill. The CHAIRMAN. The gentleman from New York, a member of the Ways and Means Committee, is recognized for one hour in opposition to the bill.

Mr. CAREW. Mr. Chairman and gentlemen of the committee, I do not know of any reason why this legislation should be proposed or furthered. I do not think there is a single thing proposed in it that can not be done now under the present existing law.

The gentleman from Oregon, of course, is not a lawyer. He said that the Attorney General had in some way or other advised him or somebody on the committee that if the Commissioner of Internal Revenue or the Secretary of the Treasury now wanted to issue permits to manufacture liquor they would not have any discretion as to the number of persons to whom they should issue permits. Now, I do not believe there can be found any well-considered opinion, neither of a court nor of the Attorney General, to that effect. I am very confident that under the present law, if the Secretary of the Treasury wanted to authorize 5, 10, 15, or 20 distillers to start in on the process of distilling liquor, he would be upheld in his right to do it, and without limit, by any court before which any other applicant might make application. I do not believe any responsible lawyer on the floor of this House who considers this question will differ with me on that proposition.

I am opposed to this legislation because I think it is unnecessary. Of course, as the gentleman from Texas [Mr. GARNER] said, this is a great deal better than the villainous proposition that was first brought before the Ways and Means Committee. That was really as finely adjusted a machine for the blackmailing of those who might be indirectly or directly interested in the liquor business as I ever saw, but due to the energy of the gentleman from Texas even the chairman of the committee, who had sponsored that bill, finally repudiated that bill, and the proposal which he now brings before the House strikes me as being more of a milk-and-water proposition than anything else. It really does not do any good, and I do not believe it will do a lot of harm except, if it gets into the hands of men who want to, it will be the source of a great deal of corruption in the Government. God knows the prohibition law has already injected an immense amount of corruption and villainy into the civil service, the military service, the naval service, and the Coast Guard Service of the United States. I do not remember in my time that I ever heard of so much rottenness as this Volstead law has injected into the personnel of the Government.

I am afraid this bill is simply going to aggravate the situation. I think we are going to have more scandals. I think that even honest men are going to be unjustly scandalized and

slandered because of the fact they will be put in contact with the administration of this law.

In my opinion the real remedy for this situation is the repeal of the Volstead law and the repeal of the eighteenth amendment. [Applause.]

Mr. UPSHAW. No.

Mr. BLANTON. Reserve the balance of your time.

Mr. CAREW. I am not going to reserve the balance of my time until I walk over here and pay my respects to my good friend from Georgia. I have known him for a long while. He has been a source of amusement to me [laughter] ever since he appeared here and a delight. He has added to the gaiety of nations; but, on the other hand, I have the idea way in the back of my head that he has made the United States a sort of object of ridicule and a joke to the rest of the world.

I think there is no solution of this problem except the one I have indicated, and I am going to reserve the balance of my time, Mr. Speaker, in the hope that some of my wet and dry friends on this side and on that side of the House will contribute their little to the destruction of this villainous piece of legislation. [Applause.]

Mr. HAWLEY. Mr. Chairman, I yield eight minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, in answer to the gentleman who has just taken his seat, who says that he neither believes in the eighteenth amendment nor the Volstead Act, I want to say I believe in both, and I believe we should do everything we can to enforce the eighteenth amendment. [Applause.] This bill is intended to assist in that purpose.

I hold in my hand an extract from an opinion which I will later insert in the RECORD, given by the Attorney General, in Volume 32, Opinions of Attorneys General, page 467, directly contrary to the opinion which the gentleman from New York has just expressed. The gentleman takes the position we can control the output by the number of places licensed or the number of permittees for the manufacture of medicinal spirits, but, according to the opinion that I will insert in the RECORD, permits must be issued on application, just so long as the applicant is properly qualified. It is to avoid that very feature, to a large extent, that we have prepared this bill. We say definitely by law now, when this bill is passed, that only from two to six places may manufacture medicinal spirits in the future. This is exactly what we want to accomplish. We also want to accomplish by this bill the concentration of existing supplies of medicinal spirits and to limit just as closely as we possibly can the future manufacture.

Mr. HILL of Maryland rose.

Mr. TREADWAY. I am very sorry I can not yield, but I have only eight minutes.

Mr. HILL of Maryland. I only want—

Mr. TREADWAY. I know the gentleman only wants to ask one question, and probably others would like to do the same, but I must decline to yield in the brief period I have, if the gentleman will permit.

Mr. Chairman, I think we have reached this point: We either want to make every effort possible under the law to see that pure medicinal whisky is supplied for medicinal purposes by doctors' prescriptions and assure the doctor and the patient that they are getting a pure medicinal liquor, or else we want to leave the business wide open and not try to enforce the Volstead Act or the eighteenth amendment. This House to-day has the opportunity to choose between these two courses and that is all there is before us.

This bill has been most carefully prepared. As has already been said, the Committee on Ways and Means refused to recommend the bill suggested by the Treasury Department. I was one of those voting against reporting that bill. We have taken out of this measure all speculative or profiteering opportunities and we have placed safeguards around the entire disposition, both of the present stock of liquor and the newly manufactured liquor. Beginning with the concentration period and the bottling period, it must be sold at a fair and reasonable price clear through to the retail druggist who sells to the consumer.

Mr. BLANTON rose.

Mr. TREADWAY. I have already declined to yield.

This is what we accomplish under the terms of this bill if the bill is enacted into law as written, and that is the sole purpose of the bill. It is in no sense, as the chairman of the Rules Committee has said, a wet or dry proposition. It is a medicinal spirits proposition.

So far as I know the only people opposing the measure are the retail druggists, and I do not think they actually know what is in the bill. The retail druggists are represented in Washington by a gentleman who is now in the gallery and who, I think, does the retail druggists much more harm than he does good.

He has passed the word to every retail druggist in the United States through the State associations that this is an effort to prevent them from selling goods at a fair price. It is no such thing. It is as much a protection to the retail druggist as it is to the doctor or the patient for whom the doctor is prescribing. I have a lot of friends who are retail druggists, who do not want to profiteer and who would rather not sell bootleg liquor.

They will be pleased when they know the provisions of this bill, because they will be protected not only in securing a good quality of medicinal whisky but in addition to that they will be protected in making a fair profit on the transaction.

A misleading pamphlet and incorrect page advertisement have been issued by the gentleman to whom I referred which contain erroneous and inaccurate statements. The druggists with whom I am acquainted—and I know a great many of them—are law-abiding citizens, anxious to do business only in a proper and legal manner. This bill will be of direct benefit to them in enabling them to do business in that way.

I am authorized to say that the physicians strongly favor this measure. One of the trustees of the American Medical Association, a leading physician in this city, has just returned from Chicago, where he attended the meeting of this board of trustees. The board is authorized to act for the American Medical Association between the sessions of that association, which comprises 90,000 of the reputable physicians of this country. These trustees had before them last week in Chicago, House bill 17130, the form in which the bill is before the House to-day, and they went on record as indorsing its provisions.

I also received this morning from the director of the Association Against Impure Liquor in New York clippings from yesterday's New York papers giving the result of a survey on this bill and reflecting the opinions of prominent health officers, hospital officials, physicians, and laymen in various parts of the country urging the passage of the bill. The director urges immediate action to stop the bootleg menace, and in a postscript he adds that this survey, coming so near the time the head of the New York State Health Department, Doctor Nicoll, made his statement on the increase in alcoholic mortality makes the need of the passage of the bill all the more urgent. This association has received replies from many leading physicians, superintendents of hospitals, health officers, and leaders in public welfare, all indorsing this particular bill.

It will develop during this debate that there are two sets of Members opposed to the bill. One group is comprised of the extreme wets, who acknowledge they do not wish any effort made to live up to the eighteenth amendment. The other group is composed of the extreme dries, who if they had their way would prevent the use or manufacture of any medicine containing alcohol. Neither of these groups exercises reason. Here is a measure framed to carry out, so far as we can see, the proposition of the legal use of alcohol for medicinal purposes and to add to the existing law sufficiently to prevent the illegal manufacture or sale of liquor injurious to the public health.

For my part I prefer to be grouped with the class following the sane, middle course, rather than with either of the two extremes to which I have referred.

Mr. ROBSON of Kentucky. I would like to know who fixes the price.

Mr. TREADWAY. In every instance the bill designates that a fair and reasonable price can be had under the authority of the Secretary of the Treasury and under the provisions made by his regulations. There is also provision for arbitration if parties fail to agree. I, for one, let me say, have much more confidence both in the Secretary of the Treasury and his enforcement officers under General Andrews than was expressed by my good friend from Texas [Mr. GARNER]. [Applause.] We believe that they are offering us a sincere effort to see that medicinal spirits are supplied at the proper price to the consumer or, to use a better word, patient, for whom the doctor prescribes it as a medicine in 26 out of 48 States. There is the whole story.

One other thing; the statement has been made by the Senator elect from Kentucky [Mr. BARKLEY] that there is not a chance to pass this bill in the Senate. I suppose his word as to what the Senate will do is better than ours, but he has not yet been sworn in as a Senator. On the other hand, we are assured by the leaders of the Senate that if the House passes the bill the Senate will do so, because we have reached the time where, if there is a desire for real enforcement, preparations must be made for the future. There is not to exceed four years' supply of medicinal whisky now in the bonded warehouses. The testimony before us shows that it requires at least four years to prepare whisky, and to age it as should be done for proper use

as medicinal spirits. Therefore we face an emergency that ought to be acted upon before the expiration of this Congress. I say to you that it is our duty to pass the bill to-day, and the duty of the Senate to pass it when it reaches that body. [Applause.]

The provisions of the bill have been explained in the report of the committee and in the remarks of the chairman of the subcommittee which framed it. I am gratified to have been a member of the subcommittee, particularly in view of the fact that the original bill was disapproved by the committee and that, as reframed, it received the hearty indorsement of those who had previously opposed the Treasury measure.

Reference has been made to the amount of available medicinal spirits. On page 25 of the hearings is a table inserted by General Andrews at the request of Mr. GARNER. It will be noted that the total entry gauge made in 1922 shows the presence then in concentration warehouses and elsewhere of 23,814,000 gallons. Ten per cent evaporation of this quantity in four and one-half years, together with sales to January 1, 1927, reduced the maximum quantity on hand to 12,788,000 gallons. It is conservatively estimated that there are not to exceed 10,000,000 gallons now available. This is additional evidence of the need of prompt action.

The opinion of the Attorney General, to which I referred, together with several supporting decisions of Federal courts, follows:

DEPARTMENT OF JUSTICE,  
March 3, 1921.

SIR: This will acknowledge receipt of your letter of February 21, requesting an opinion on the following questions:

"1. Whether the Commissioner of Internal Revenue is authorized under the Volstead Act to issue a permit for the manufacture of whisky for medicinal purposes.

"2. Whether the Commissioner of Internal Revenue is authorized under the Volstead Act to issue a permit for the manufacture of beer and other malt liquors, with an alcoholic content in excess of one-half of 1 per cent for medicinal purposes.

"3. Whether the Commissioner of Internal Revenue is authorized under the Volstead Act to issue a permit for the manufacture of wine and other vinous liquors, with an alcoholic content in excess of one-half of 1 per cent for medicinal purposes.

"4. If your answer is in the affirmative in any or all of the above-mentioned cases, please advise me whether by regulations, approved by the Secretary of the Treasury, the quantity to be prescribed by physicians may be limited or controlled.

"5. If your answer is in the affirmative as to one or all of questions Nos. 1, 2, and 3, please advise me as follows:

"(a) May the commissioner under regulations to be approved by the Secretary of the Treasury limit the number of permits for manufacture or sale within any particular State, subdivisions of States, or locality after he has determined as a matter of fact that a certain number of permits would be all that reasonably would be necessary to take care of these products for medicinal purposes?

"(b) May the commissioner as a matter of administration in the exercise of his administrative judgment determine that no permits whatsoever should be issued in any particular State, locality, or subdivisions of States, or in the country as a whole?"

In answering the first three questions it may be well to quote the language of my opinion of December 13, 1920 (32 Op. 361), where, in referring to section 1, Title II of the national prohibition act, I said: "The word 'liquor' is expressly defined in section 1, above quoted, to include whisky and other liquors there enumerated." In section 1 it is provided that the term "liquor" includes "alcohol, brandy, whisky, rum, gin, beer, ale, porter, and wine, and in addition thereto any spirituous, vinous, malt, or fermented liquor." (41 Stat. 307.) It will thus be seen that the liquors enumerated in your first three questions come within the definition of the term "liquor."

It was not the purpose of Congress to prohibit the use of liquor for nonbeverage purposes, as is evidenced by the wording of the title of the national prohibition act.

"An act to prohibit intoxicating beverages and to regulate the manufacture, production, use, and sale of high-proof spirits for other than beverage purposes, and to insure an ample supply of alcohol and promote its use in scientific research and in the development of fuel, dye, and other lawful industries." (41 Stat. 305.)

However, it was necessary to regulate the traffic in nonbeverage liquor in order to accomplish the purpose of the act, which was, as stated, to prevent the use of liquors for beverage purposes. The use of liquor as a medicine was recognized by Congress to be a nonbeverage use. This is shown by the provisions made for the issuance of permits to prescribe. (See sec. 7, Title II, 41 Stat. 311.) I am therefore of opinion the commissioner may issue permits for the manufacture of liquors for medicinal purposes.

If by your fourth question you mean to inquire whether it is competent by regulation to limit, except as prescribed by the statute in the case of spirituous liquor, the quantity of liquor that a physician may



prescribe for the same patient within a given period of time, I think the question must be answered in the negative. The statute forbids a physician to prescribe liquor except when, after the required examination or investigation, "he in good faith believes that the use of such liquor as a medicine by such person is necessary and will afford relief to him from some known ailment." Congress has imposed the sole additional limitation that not more than a pint of spirituous liquor shall be prescribed for the same person within any period of 10 days. Subject to this limitation, obviously there has been committed, not to the judgment of the commissioner and the Secretary of the Treasury but to the professional judgment of the physician, the question of the quantity of liquor that may be used to advantage as a medicine in each case. As to this question, I think the intention was to leave the physician unfettered by governmental control but subject to be dealt with criminally and by revocation of his permit if he acts in bad faith. A regulation, therefore, which would substitute the judgment of the commissioner and the Secretary of the Treasury for the good faith of the physician by fixing a limit upon the amount that could be prescribed in a given emergency or during a given period of time would, in my opinion, be without authority and void.

However, the authority to make regulations governing the manner in which liquor may be prescribed is clear and ample. Any regulation reasonably deemed by the commissioner and Secretary proper to limit the distribution of liquors for medicinal purposes to cases in which a physician, in good faith, believes necessary will be valid. To authorize a physician to prescribe at one time a large quantity of liquor on the theory that the necessity for its use will probably continue during a long period in the future would lead to abuses and enable persons to obtain liquors that might in fact never be required for the purpose for which prescribed. This, I think, was never contemplated, and I am of opinion that the regulations may very properly limit the quantity of liquor of any and all kinds which shall be called for by a single prescription. The regulation may provide that no prescription shall call for more than the physician, acting in good faith, believes will actually be required during a given number of days, or it may simply provide that no prescription shall call for more than a given quantity.

In answer to your questions 5 (a) and 5 (b), I am constrained to the view that the commissioner and the Secretary are without authority to limit the number of permits to be issued for the manufacture or sale of liquor for medicinal purposes within a particular section of the country upon the sole ground that a given number will be sufficient.

The manufacture or sale of liquor for medicinal purposes has not been prohibited. The constitutional amendment does not expressly confer power to prohibit either. It may be assumed that Congress, for the purpose of making the prohibition law effective, could have placed some limit upon the quantity of liquor that should be either manufactured or sold for medicinal purposes, and that it might have indicated, in general terms, the character of such limitation and authorized the executive officers to carry out the purpose thus expressed by proper regulations. I can find in the act, however, no purpose either to directly impose such a limitation or to confer upon the executive officers any power to do so. I think, therefore, that a regulation having this in view would be in effect an amendment of the statute and not a mere regulation to carry out the expressed purpose of Congress. Section 6 of the act contains a number of provisions relating to permits, and must be taken to describe in general the scope of the regulations which may lawfully be promulgated. There is no reference here, however, to a purpose to limit the quantity produced or sold. With respect to the sale at retail for medicinal purposes the act itself confines such sales to a very narrow limit by providing that—

"No permit shall be issued to anyone to sell liquor at retail unless the sale is to be made through a pharmacist designated in the permit and duly licensed under the laws of his State to compound and dispense medicine prescribed by a duly licensed physician. No one shall be given a permit to prescribe liquor unless he is a physician duly licensed to practice medicine and actively engaged in the practice of such profession." (41 Stat. 310, sec. 6.)

Practically, therefore, no permit for sales at retail can be granted except to a druggist who is himself a licensed pharmacist or who employs such a pharmacist. As between different applicants for permits who meet this and the other requirements of the act, I am unable to find any authority for discriminating. I think it was the intention of Congress that all reputable drug stores authorized to compound and dispense medicine prescribed by physicians should be entitled to a permit to sell liquor at retail on such prescriptions. I can not believe that it was the intention that the executive officers should have authority to say that one reputable druggist in a community should have a permit and another equally reputable should not. If there are a number of reputable drug stores in a community, I can not find in the act anything which authorizes the commissioner and Secretary to say that some of them shall be denied a permit merely because, in the opinion of these officers, the others will be able to meet the legitimate demand for liquor for medicinal purposes. It may be that Congress might have conferred the power to thus select what may be deemed a sufficient number to receive permits and then to deny all other applications made from the same community. But I do not think this has been done.

With respect to sales at wholesale for any nonbeverage purpose, the act imposes limitations as to the class of persons who may receive permits. But again I can find no authority to discriminate between persons within that class by limiting the number of permits to be issued.

With respect to persons who may receive permits to manufacture, there does not seem to be any limitation as to the class of such persons.

On the whole, I am of opinion that there is no authority to limit the number of permits, either locally or for the country as a whole, because the commissioner and Secretary may be of opinion that a larger number are not necessary. I must, therefore, answer the two questions embraced in your No. 5 in the negative.

Respectfully,

A. MITCHELL PALMER.

To the SECRETARY OF THE TREASURY.

The following decisions of the Federal courts support the above opinion of the Attorney General:

*Vollmer Beverage Co. v. Blair* (2 Fed. (2d) 469, D. C. E. D. Pa., Nov. 19, 1924); *Fred Fell Brewing Co. v. Blair* (2 Fed. (2d) 879, D. C. E. D. Pa., Dec. 23, 1924); *Gautieri v. Sheldon* (7 Fed. (2d) 408, D. C. D. R. I., Aug. 6, 1925).

The opinion of the Supreme Court of the United States in *Ma-King v. Blair* (1926), 271 U. S. 479, holds that the Commissioner of Internal Revenue has power to refuse permits to applicants not qualified therefor, but does not in any way dispute the propositions set forth in the above decisions that the Commissioner of Internal Revenue may not discriminate in the issuance of permits between applicants who are properly qualified or deny a permit to any applicant so qualified.

Mr. CAREW. Mr. Chairman, I yield the balance of my time to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Chairman, I yield six minutes to the gentleman from New York [Mr. KINDRED].

Mr. KINDRED. Mr. Chairman and gentlemen of the committee, I approach this question, in the very brief discussion of it, in the time given me, strictly from a doctor's standpoint. It is a singular fact that there is no reference in this bill to the important matter of fixing the standard of quality of medicinal spirits as medicine for the sick. In several sections of the bill this feature should be most carefully safeguarded in this particular. It does provide in certain sections of the bill that the standard of alcoholic strength by volume and weight shall be maintained by mixing similar stocks with each other if necessary. But it is a matter of absolute importance from the standpoint of the sick man as well as in the administration of any drug—and alcohol is a drug in the sense in which we are now speaking of it—that the drug administered should have the standard of drugs made by Squibb, Parke Davis, and some other manufacturers; but under the terms of this bill there is a studied neglect to fix the most important element—that is, the highest standard of quality of medicinal spirits, as an important drug.

I want to refer briefly in this connection—and I shall refer to it more in detail later—that there is a very important and vital question as to the regulation by the Treasury Department in placing in nonmedical whisky the poisonous elements in lethal doses to kill the poor unwary fellow who sometimes takes the chance of taking a drink.

There is another feature of the bill to which I desire to call attention, and that is the price to the poor sick patient of an important drug like medicinal spirits is not fixed, but with studious care is open to a loose construction in the bill, which in my opinion will rob the poor sick of this country in behalf of the most stupendous trust ever constituted by law.

That is the trust which is to be legalized here, to be limited to not less than two nor more than six licensees, who are to control and own the 2,000,000 gallons of medicinal spirits which are consumed in each year, and also to the unlimited supply that will be manufactured after the first year under the operation of this law, as well as other existing supplies, amounting to approximately 27,000,000 gallons.

Now, in support of both of those statements, I refer to the provisions of the bill, which simply uses the language that liquor shall be sold by the licensees or permittees at a reasonable price. Gentlemen, having lived under the shadow of Wall Street during the past 35 or 40 years, I know that this trust can water every share of stock that they issue, and will as a complete monopoly, and keep up the price of medicinal spirits to the public. We know that the salaries can be fixed by this Whisky Trust at outrageously large sums, we know that it can be loaded with unreasonable expenses, and that those extravagant salaries and other charges can be charged up to cost and be sustained probably in a court. There should be a limitation in this respect as to what is a reasonable cost of medicinal spirits to the public and especially to sick poor.

Mr. LA GUARDIA. Mr. Chairman, will the gentleman yield?

Mr. KINDRED. I am sorry I have not the time. There is another aspect of the bill which deals with the druggist. The neighborhood druggist is the friend of the poor people everywhere. In exceptional cases we know—and to my knowledge it is so—some druggists have violated the law, some have diluted the liquor and made it impossible for those who really need the liquor in the quantities now allowed physicians under the regulations of the Treasury Department, namely, 1 pint in 10 days to each patient, to obtain it in pure, unadulterated form and at a price within their means; but I am glad to bear testimony to the fact that the vast majority of the 53,000 retail druggists in this country are law-abiding, worthy citizens, who desire only a square deal under this bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HAWLEY. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Chairman and gentlemen of the committee, of course there still exists a great difference of opinion among physicians as to the medicinal value of alcohol. I should say they are divided about evenly, from my experience with them.

Mr. KINDRED. Mr. Chairman, will the gentleman yield?

Mr. CROWTHER. The gentleman will excuse me, as I have only five minutes, and I can not yield at this time. However, this legislation will be helpful in enforcing the Volstead Act—and I am just as strongly in favor of that as my colleague from Massachusetts [Mr. TREADWAY], and I will support the eighteenth amendment and the Volstead Act as long as they are the law of the land. Of course, a great many will vote for this bill on both sides of the House, irrespective of their political affiliation and will always stand by the dry side of the question; but I say to my Republican friends that if we expect to be successful in this coming national election the only thing for the Republican Party to do is to stand foursquare in favor of the eighteenth amendment, the Volstead Act, and say to the people of this great Nation that we have an enduring faith in the Constitution of the United States. [Applause.]

This we must do, without any side-stepping, ducking, or dodging of any kind or description. Gentlemen of the committee, the Volstead Act recognizes medicinal whisky and its value, and does so by a provision in the law; and so long as a physician may supply those who need it with a pint every 10 days, I think we should provide for the necessity of replenishment. Of course, I am not foolish enough to believe that every prescription which is issued is for somebody who is sick. I know that a great many of them are issued for those who have a thirst. It may be said there is provision made in the present law for replenishing. I would term it a mere authorization, because there is no real provision made, but the law states that the commissioner may replenish his supply by importation and by manufacture. That is in the present act. So I think we ought to comply with that, and I think that is what the language in this bill does. This bill was prepared by the subcommittee and is the result of careful study, after hearings that went to a considerable length in the discussion of the subject.

I think it is a fair measure. I do not look with such great suspicion as does my friend from Texas [Mr. GARNER] upon everyone who is connected with the Government. I believe we ought to act upon the supposition that the Treasury Department as well as every other department of the Government has at its head an American citizen of integrity and that the employees in the departments are honest and capable and desirous of rendering the Government real service. I think they ought to be honored for their loyal efforts rather than to be constantly under suspicion. [Applause.]

A very radical dry Member said to me, "Oh, do not have any legislation of this kind at all; let it go." I said to him that we only had four and a half years' supply, and he answered, "Use it all up, and then the country will be dry, just as it ought to be." Mr. Chairman, that is not the right way to approach this subject. We have recognized medicinal whisky, and let me say to those who favor prohibition that if this bill is defeated, or if by any other gesture we suggest to the people of the United States in a spirit of intolerance that we are not going to recognize medicinal whisky, we shall deal prohibition the worst blow that has been dealt it in many years. [Applause.] For that reason, if for no other, I ask the Members to support this bill.

I know that we have differences of opinion here on the wet and dry question, but I think that on the whole the eighteenth amendment and the Volstead Act have been for our moral and social betterment and will be of lasting benefit to the people of these United States in the generations to come. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BANKHEAD. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, last December the Secretary of the Treasury, Mr. Mellon, prepared what he called his "medicinal spirits replenishment bill" and sent it to the chairman of the Ways and Means Committee, Mr. GREEN, who, knowing nothing of its contents, purposes, and far-reaching effects, introduced it in the House of Representatives on December 22, 1926, as H. R. 15601, which bill was referred to his Committee on Ways and Means and thereafter became known as the Green administration medicinal whisky bill.

#### PROHIBITION SUPPORT

To my great surprise the press reported that this bill had the support of Hon. Wayne B. Wheeler, Bishop Cannon, and other distinguished and loyal prohibitionists. But when I began to inquire into the matter I learned that it had been given out by General Andrews, the head of the Prohibition Unit, under Secretary Mellon; that he deemed this bill necessary; and that its feature which required the concentration of all bonded liquor into six warehouses was essential to enforcement of law. And I learned also that, without knowing the other features of the bill, said prohibitionists had accepted General Andrews's say so that it was necessary, and had approved the bill simply because of its provision requiring concentration in six warehouses.

#### EVERY PROHIBITIONIST FAVORS CONCENTRATION

Why, of course, every prohibitionist favors concentration. I have favored it ever since the eighteenth amendment and the Volstead law was passed. I have urged the concentration of all of it into one warehouse, controlled exclusively by the Government, so that we could prevent leakages which have so often occurred in large quantities. But the Secretary of the Treasury does not seem to be in favor of concentration, for he has not concentrated. Under the existing law he could now concentrate all bonded liquor in six warehouses. But he has not done it. Under existing law he could now concentrate all bonded liquor in one warehouse. But he has not done it. And to get dry votes for his "plenty-of-good-whisky" bill, for that is its proper name, he has proposed in it to concentrate in six warehouses.

#### PRESS REPORTED FAVORABLE REPORT

The press reported that the Committee on Ways and Means was soon to favorably report the Green bill, H. R. 15601, and on January 30, 1927, my colleague from Texas on that committee [Mr. GARNER] requested that I give the bill careful study, and I know that it was then in his mind that unless some one made a fight against it the Committee on Ways and Means was going to report the bill favorably for passage.

#### DENOUNCED BILL ON JANUARY 31, 1927

I had secured time on January 31, 1927, to speak on another subject, but on that date I used all of my time in denouncing this Green, Andy Mellon, administration, plenty-of-good-whisky bill, and within less than a week thereafter the Committee on Ways and Means by a vote of 16 to 8 killed the Green bill, Mr. GREEN himself voting against his own bill, which he had introduced for the Secretary of the Treasury.

Let me quote from page 2651 of the RECORD for January 31, 1927, some of the contentions I made against the Green, Mellon, administration, whisky bill:

Mr. BLANTON. But I not only want to know that it comes properly branded, I want to know that it comes from real prohibition sources, and that it is to help, not hinder, prohibition.

Why, every prohibitionist in the land—I don't care whether he is an orthodox Republican or not—knows that the main thing that has stood in the way of enforcement of the prohibition law is the fact that enforcement is placed in the charge of the present Secretary of the Treasury, Mr. Mellon, who is not a prohibitionist and does not believe in it. We all know that he does not believe in it. It has been admitted from the floor many times, and never denied, that the Secretary of the Treasury is financially interested in the business. He has been a large owner of distillery stock; he has been a large owner of stock in bonded warehouses; and under the present law they can not sell that stuff. If they could sell it, it would bring an enormous price, but they can not sell it, because the Volstead law and the eighteenth amendment stops them, except for medicinal purposes. And this "Mellon bill" is to make it lawful for them to sell it.

I am in favor of preventing doctors from issuing prescriptions for straight whisky.

One of the greatest surgeons known in the United States, Doctor Mayo, of Rochester, Minn., in the Nation's Capital here the other day indicated that in his honest judgment it was not needed.

Mr. LOWREY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LOWREY. And so did Dr. Howard Kelly, of Baltimore.



Mr. BLANTON. Certainly. Some of the best minds in the United States from a medical standpoint, physicians and surgeons, say it is not necessary; but we are not deluding ourselves when in this legislative body we call whisky designed for beverage "medicinal whisky." We know that 99 per cent of it is gotten for beverage purposes. This bill from Secretary Mellon provides for a Government corporation to act as a monopoly in the liquor business.

I wonder if our distinguished friend from Iowa, Uncle BILLY GREEN, is proud of this measure that bears his name? I know it is inconsistent with his own personal belief, it is inconsistent with his legislative career here, it is inconsistent with his lifelong tenets of faith and procedure, but he had to introduce it because it comes from the Secretary of the Treasury. I wonder if the Secretary of the Treasury is going to be strong enough to put this bill down the throats of the Members of Congress, and I wonder if he is going to be strong enough to get it out of the Committee on Ways and Means. He will do it if they do not get up there and do some fighting. Let me read you just a provision or two from this bill. Here is one of the powers that this corporation is to have—

"to hold, sell, bottle, transport, and distribute medicinal spirits owned by it for medicinal and other nonbeverage purposes, and for no other purpose."

"Medicinal and other nonbeverage purposes!" If medicinal were a nonbeverage purpose, it would not be so bad, but when we know that the great bulk of the so-called medicinal liquor is bought by well men from doctors and drug stores when they do not need it for medicinal purposes, when they are strong, well, able-bodied citizens and merely want a drink, then such a phrase sounds ridiculous.

Let me read this other power that you are asked to give them:

"To provide for the necessary replenishment of the supply of medicinal spirits by manufacture by the corporation or by importation for sale by the corporation, in accordance with law and regulations thereunder; and for the purpose of such manufacture to acquire by purchase, lease, or construction, and to operate and maintain not more than two distilleries and to so acquire and maintain a tax-paid warehouse in connection with each."

Note that you are asked in this Mellon bill to grant this liquor corporation the right to import liquors. It is now against the law to import it. But this quasi-governmental liquor corporation is to be given the exclusive right to import it.

Note that you are asked in this Mellon bill to grant to this liquor corporation the exclusive right to operate and maintain two distilleries for the manufacture of intoxicating liquor, pure and undiluted, pleasing to the palate, and this is a boon that none of the big liquor men in the United States smaller than Mr. Secretary Mellon himself would ever dare even to suggest to the Congress of the United States.

And note that you are asked in this Mellon bill to grant to this quasi-governmental liquor corporation the exclusive right to acquire and maintain a tax-paid liquor warehouse in connection with each of its said distilleries. Oh, what an opportunity for distributing this wholesome, palatable, so-called "medicinal whisky" to every thirsty man in every State of the Union by increasing the present number of bootleggers to handle it.

Mr. HUDSON. Will the gentleman yield?

Mr. BLANTON. In just a second. I promise you there will be more liquor floating around in all of the 48 States if you pass this law than you ever dreamed of, and I wonder if the prohibitionists of Michigan are going to be hoodwinked.

Mr. HUDSON. This gentleman never answers except for himself.

Mr. BLANTON. I wonder how this legislation appeals to the gentleman? If my friend is standing with Mellon, why I have not any time to yield to him.

Mr. HUDSON. The gentleman has not said he is standing with Mellon. I rose to ask a question. I wanted to ask the gentleman if he does not think this is the opening wedge for Government ownership and control of the liquor traffic?

Mr. BLANTON. It is an opening wedge for thirsty men all over the United States to get all the liquor they want—that is what it is—in every State in violation and in spite of the eighteenth amendment and in spite of the Volstead law.

Let me quote from this Mellon bill just three more rights you are asked to confer by law upon this monopolistic, governmental liquor corporation:

"(3) In accordance with law and regulations thereunder, to hold, sell, bottle, transport, and distribute medicinal spirits owned by it, for medicinal and other nonbeverage purposes and for no other purpose.

"(4) To acquire by purchase, lease, or construction, and to maintain, not more than six concentration internal-revenue bonded warehouses (consisting of one or more buildings or parts thereof) including land necessary therefor; and to so acquire and maintain a tax-paid warehouse in connection with each.

"(5) To provide for the necessary replenishment of the supply of medicinal spirits by manufacture by the corporation or by importation for sale by the corporation, in accordance with law and regulations thereunder; and for the purpose of such manufacture to acquire by purchase, lease, or construction, and to operate and maintain, not

more than two distilleries, and to so acquire and maintain a tax-paid warehouse in connection with each."

I do not see how any real prohibitionist can support that bill. The Ways and Means Committee should not report it. And if they do, we must kill it here.

#### ECHO FROM PITTSBURGH

Not long after I made that speech a citizen of Pittsburgh wrote here the following:

In connection with a speech, recently made in Washington, D. C., by Congressman THOMAS L. BLANTON of Texas, House of Representatives, relative to the laxity of Federal officers, in enforcing the national liquor laws, as set forth in the eighteenth amendment to our Constitution, it would be interesting to trace the origin of manufacture, the transfer of ownership, and the storage of the immense quantity of high-proof whisky, now held in barrels, in warehouses, at Freeport, on the Allegheny River, in Pennsylvania, also at Brownsville, on the Monongahela River, near Pittsburgh, Pa.

The statements made by Mr. BLANTON were published in the Pittsburgh newspapers at that time. Mayors and burgesses in small cities and the larger towns have known for a long time that they do not get the same kind of loyal support to their Federal cases, that they receive from county and State officials. Mr. BLANTON states the reason for this ably and courageously in his speech. For further indorsement as to the truthfulness of his statements, one only need make some investigation and inquiry around these warehouses near Pittsburgh, where this immense amount of high-proof whisky is stored.

This liquor is now becoming old. It was made years ago. It is believed to be the largest amount in storage in any one place in the United States. In connection with some of the statements of his speech, it might be interesting for Mr. BLANTON's friends to make some inquiry of the neighbors around Freeport, also to trace the transfers of ownership of this liquor, since manufacture, and investigate the withdrawals and thefts from the store during the past three years.

#### COMMITTEE SHOULD INVESTIGATE FREEPORT AND BROWNSVILLE, PA.

It would be a safe thing for the Ways and Means Committee to do to investigate the immense quantity of high-proof whisky now held in barrels, in the warehouse at Freeport, Pa., and in the warehouse in Brownsville, Pa., and to trace the origin of manufacture, the transfer of ownership, and the storage of same, before they create this special whisky monopoly for Andrew W. Mellon and his distillery friends.

#### GREEN-MELLON BILL ADMITTEDLY BAD

The Green-Mellon bill was approved by General Andrews, yet it is admittedly bad. It was approved by Wayne B. Wheeler, yet it was afterwards condemned two to one by prohibitionists on the Ways and Means Committee. It was approved by Bishop Cannon, yet when its monstrous provisions were analyzed by prohibition legislators on the committee, the Ways and Means Committee killed it by a vote of 16 to 8. Now, if these leading prohibitionists made a mistake in approving the Green-Mellon administration bill, why is it not possible that they have made a mistake in approving this new Hawley bill, which is the Mellon bill rewritten.

#### COMPARE GREEN AND HAWLEY BILLS

Practically all of the special pet provisions which Andrew W. Mellon sought to enact into law in his Green bill, are provided for in this Hawley bill now before us. This Hawley bill will appear in this RECORD just preceding this debate, and I want the 50,000 daily readers of this CONGRESSIONAL RECORD to turn back a few pages to it and read its provisions carefully, and then compare them with the excerpts I have already quoted from the Green-Mellon bill, that the committee killed by a vote of 16 to 8, and such readers will see that Mr. Mellon is getting practically what he wants in this Hawley bill.

#### TOO GREAT POWER GIVEN TO ONE MAN

Remember that Andrew W. Mellon is one of the leading whisky men in the United States. He believes in manufacturing it. He believes in selling it. He believes in men drinking it when they want it. He does not believe in prohibition. Yet you are conferring on him limitless powers concerning whisky that no one man should have. Let me quote from section 2 of this bill to show you just what you are proposing to grant to Andrew W. Mellon, the antiprohibitionist:

The Secretary of the Treasury is authorized to issue permits for the manufacture of such distilled spirits by such persons as he may select, and for such periods, in such quantities, and subject to such other requirements as he may prescribe; except that—

(1) Not less than two and not more than six permits shall be outstanding at any one time.

(2) Each permit shall require manufacture according to formulas prescribed by the Secretary of the Treasury.

When he wanted only two distillers to have the right to manufacture whisky, and so proposed in his Green bill, do not you know that under the above provisions of this bill, he is not going to grant permits to but two distillers, so what was the use of the committee giving him the discretion to grant six, when they know he will only grant two?

#### DISTILLER MELLON FIXES PRICE

It is the Secretary of the Treasury who is to say what is a fair price. He is the big cheese all the way through the bill. Let me quote subdivision 5:

(5) Each permit shall require that the permittee shall sell distilled spirits manufactured thereunder at a price not in excess of a fair and reasonable price, based on cost of manufacture, carrying charges, preparation for market, distribution, and a fair profit to the manufacturer; and the permittee shall at all reasonable times keep his books open for inspection by the Secretary of the Treasury or his representatives.

#### GOOD MARKET FOR ALL

And remember, just as the Green bill did, so does this bill provide a good market for all whisky now in warehouses which at present can not be sold, but which, as soon as this Hawley bill becomes a law, can be sold at prices fixed by Secretary Mellon himself, who is more interested than any other one man in the United States in seeing that the owners of such whisky sell it for a good price. Let me quote part of section 5 of this bill:

SEC. 5. (a) Permittees under section 2 shall acquire distilled spirits only at a price which is the fair and reasonable value of the spirits, and in no case at a price in excess of the sum of (1) the fair market value at warehouses on December 1, 1926, of distilled spirits of like kind, age, and quality, and (2) the charges and expenses for carrying the distilled spirits from December 1, 1926.

It is not the fair market price of this whisky in normal saloon days when it was lawful to sell it, but it is its fair and reasonable value on December 1, 1926, and all charges and expenses for carrying it over since that time. And it is Mr. Secretary Andrew W. Mellon who, for himself and his friends, is to say what is this fair, reasonable price. In other words, he is to sell and fix his own price. For no other person in the United States can say one word against the price he fixes. And his price can not be reviewed by any court. It is simply ridiculous for us to think of passing such a law.

#### AMENDMENTS SUGGESTED BY M'BRIDE AND WHEELER

I am glad to note that Hon. F. Scott McBride, general superintendent, and Hon. Wayne B. Wheeler, general counsel and legislative superintendent of the Anti-Saloon League, have suggested that this bill be amended. In their letter which on February 19, 1927, they wrote to our colleague, Mr. HAWLEY, copy of which I have, they suggested over their signatures the following amendments, to wit:

We suggest that you consider the advisability of reducing the number of distilleries that may be authorized to manufacture medicinal whisky so as not to exceed four. There is no question that six is more than sufficient to make the needed supply. Also, a provision to eliminate sales agents by distilleries to drum up trade, confining solicitation to correspondence by mail with retail druggists holding permits to sell.

If there is any doubt that the distiller should be required to give bond this should be added. It is not mentioned, but is authorized under existing law.

A provision penalizing the forging, utter, or possession of forged prescriptions would also be helpful in confining the distribution to strictly medicinal use, if such a provision would be germane to the bill. No adequate penalty for this offense is provided by existing law.

It would be helpful also to require that the whisky on hand, not already gauged, be regauged before manufacture is renewed in order to determine accurately the amount on hand.

Yours cordially,

F. SCOTT MCBRIDE,  
General Superintendent.

WAYNE B. WHEELER,  
General Counsel and Legislative Superintendent.

#### NATIONAL ASSOCIATION OF RETAIL DRUGGISTS PROTEST

In a whole page protest published to-day in the leading daily newspapers the National Association of Retail Druggists and the State and local pharmaceutical associations protest against this bill, and among many other things they claim that:

Competition in manufacture and distribution destroyed by monopoly to be created under authority granted by H. R. 17130, to limit exclusive permits to not less than two nor more than six distillers.

Special rule has been granted to "railroad" bill dangerous to the public interest through Congress without a public hearing before any committee.

The acquisition of existing stocks of old whisky by the preferred two to six exclusive permittees and the transfer of those stocks with their own by themselves at an unlimited price to the corporation ultimately formed by them would double the price to retail druggists and to the public.

No emergency exists requiring the proposed legislation because existing law authorizes the Treasury Department in its discretion to issue or deny permits to manufacture and distribute medicinal whisky, alcohol, and all other kinds of intoxicating liquors. (Ma-King Products Co. v. David H. Blair, commissioner, 70 L. Ed. Adv. Op. p. 625.) The opinion states, "It is clear that Congress in providing that an adverse decision of the commissioner might be reviewed in a court of equity, did not undertake to vest in the court the administrative function of determining whether or not the permit should be granted."

The quality and purity of medicinal whisky are fixed by the standard in the United States Pharmacopoeia. Any retail druggist who dispenses medicinal whisky below this standard is subject to revocation of his license as a registered pharmacist, under State law, and to the loss of his permit under the Federal law, because not dispensing in good faith. Severe penalties are also imposed by Federal law.

The insincerity of the proposed legislation is demonstrated by the testimony before the Ways and Means Committee (p. 87, hearings, January 11, 12, 15, 18, and 20, 1927) in relation to H. R. 15601, which was rejected, showing that the known diversion of alcohol to unlawful purposes was 27,000,000 gallons in 1925, while the total distribution of medicinal whisky under Government permits in 1926 was less than 2,000,000 gallons, and the manufacture of alcohol has increased to more than 200,000,000 gallons in 1926, with the authorized purchase of medicinal whisky still less than 2,000,000 gallons.

The National Association of Retail Druggists is affiliated with 46 State pharmaceutical associations and city and county associations throughout the United States, representing 53,000 retail druggists and the interest of hundreds of thousands of drug-store patrons. The signatures of the officers of some of the associations are hereto subscribed and all of them would be appended if time permitted.

The foregoing is signed by—

The National Association of Retail Druggists, by Samuel C. Davis, Nashville, Tenn., president; Samuel C. Henry, Chicago, Ill., secretary; Julius H. Riemenschneider, Chicago, chairman of executive committee; Paul Pearson, chairman legislative committee; and Eugene C. Brokmeyer, general attorney.

And it is also signed by the following State and local pharmaceutical associations:

West Virginia Pharmaceutical Association, H. C. Wallace, president; J. Lester Hayman, secretary.  
New Hampshire Pharmaceutical Association, Frank French, president; D. Leo Hallisey, secretary.  
Oregon State Pharmaceutical Association, L. B. Russell, president; Frank S. Ward, secretary.  
Colorado Pharmacal Association, J. A. Vanlopiak, president; Charles J. Clayton, secretary.  
South Carolina Pharmaceutical Association, John H. Prierson, president; Frank M. Smith, secretary.  
Mississippi Pharmaceutical Association; J. T. Mathis, president; A. S. Goody, secretary.  
Missouri State Pharmaceutical Association, H. C. Tindall, president; W. H. Lamont, secretary.  
Massachusetts Pharmaceutical Association, William H. Townsend, president; James F. Guerin, secretary.  
Rhode Island Pharmaceutical Association, Charles F. Gilson, president; Frank J. Duffy, secretary.  
Alabama Pharmaceutical Association, H. E. Duncan, president; W. E. Bingham, secretary.  
Vermont Pharmaceutical Association, W. E. Chapman, president; F. W. Churchill, secretary.  
Texas Pharmaceutical Association, Zeb. W. Rike, president; Walter D. Adams, secretary.  
Kentucky Pharmaceutical Association, Edward H. Hinkbein, president; J. W. Gayle, secretary.  
Tennessee Pharmaceutical Association, Frank Bogart, president; William P. Winters, secretary.  
Virginia Pharmaceutical Association, N. G. Miller, president; A. L. I. Winne, secretary.  
Connecticut Pharmaceutical Association, James W. Lynch, president; P. J. Garvin, secretary.  
Minnesota Pharmaceutical Association, A. L. Malmø, president; Gustav Bachman, secretary.  
New Jersey Pharmaceutical Association, Frank P. Strebl, president; Robert P. Fischells, secretary.  
Pennsylvania Pharmaceutical Association, Joseph W. England, president; J. G. Noh, secretary.



Utah Pharmaceutical Association, E. E. Carr, president; John Cully, secretary.

New York Pharmaceutical Association, T. Bruce Furnival, president; E. S. Dawson, secretary.

Illinois Pharmaceutical Association, J. B. Mickels, president; W. B. Day, secretary.

Chicago Retail Druggists' Association, Henry J. Krueger, president; H. J. Holthofer, secretary.

St. Louis Retail Druggists' Association, W. C. Todd, president; S. H. Wortmann, secretary.

District of Columbia Retail Druggists' Association, Paul Pearson, president; Norman D. Parker, secretary.

Associated Druggists of New Jersey, George I. Schreiber, executive secretary.

Idaho Pharmaceutical Association, H. T. Davis, president; J. C. Anderson, secretary.

North Carolina Pharmaceutical Association, C. L. Eubanks, president; J. G. Beard, secretary.

Now, the above is one pretty big organization which claims it has not been given a hearing on this Hawley bill.

Mr. SCHAFER rose.

Mr. BLANTON. I can not yield to my "wet" friend from Wisconsin. I am sorry, because I noticed that the gentleman applauded my "dry" friend, Doctor CROWTHER, when he was making a speech for this bill, and if I get any applause I do not want it to come from Wisconsin. [Applause.]

Some of you say there are only nine of ten million gallons of whisky left and say we use 2,000,000 a year for medicinal purposes, and it will be a necessity in about four and a half years. I tell you the last check-up we had of the liquor now in warehouses was 26,000,000 gallons, and I ask any Member here to deny it—26,000,000. Yet you say it is only 9,000,000 gallons, and it will only last four and a half years. Wayne B. Wheeler has asked you to make a new count on it.

Mr. COOPER of Ohio rose.

Mr. BLANTON. I regret I can not yield now, but I will later. Do you remember the bill the Ways and Means Committee brought in here to pay back to certain of our bonded liquor owners \$13.60 a case in refund of tax? Do you remember that bill? Let me read you a little colloquy that occurred on the floor here concerning that bill. We asked our friend from Kentucky [Mr. JOHNSON] how much money did that bill involve, and here is the colloquy that occurred:

Mr. JOHNSON of Kentucky. The report says about \$200,000.

Mr. BLANTON. The gentleman represents one of the biggest whisky districts in the United States, and yet in practice he is one of the strongest prohibitionists in the House.

Mr. JOHNSON of Kentucky. And I will say, in addition, that the first vote I ever cast when I became of age was to close the barrooms in my town, and I have been voting and acting that way ever since. [Applause.]

Mr. BLANTON. Does the gentleman think that his statement, that this is in furtherance of prohibition, is exactly true?

Mr. JOHNSON of Kentucky. The Prohibition Unit says so.

Mr. BLANTON. Does Wayne B. Wheeler say so?

Mr. JOHNSON of Kentucky. I have not asked him about it, but I have heard no protests from him about it.

Mr. BLANTON. Does the gentleman from Michigan approve of this and the gentleman from Georgia [Mr. UPshaw]?

Mr. JOHNSON of Kentucky. The Ways and Means Committee unanimously reported this bill, with some extreme prohibitionists on that committee.

Mr. BLANTON. We can not always trust the Ways and Means Committee on prohibition, though. Has anyone who really stands for prohibition, outside of the business of it, approved of this bill?

Mr. JOHNSON of Kentucky. The Prohibition Unit does.

Mr. BLANTON. Well, that is their business. I am talking about men who are pronounced prohibitionists not from a business standpoint but from a moral standpoint.

You see he quoted the Prohibition Unit. This is what is being done to-day on this bill. The wets are opposed to this Hawley bill because they know that this whole liquor business will be placed in the hands of Secretary Mellon, who will name the two permittees to control the business. They know that every single bit of the 26,000,000 gallons of liquor now in the bonded warehouses will be sold at high prices under this bill to Mr. Mellon's two permittees, and it will be sold at prices fixed by the Secretary of the Treasury, and that it will cost them more money.

I want you to get and examine the speech of Mr. LaGuardia, of New York, made on the floor of this House after this other bill from the Ways and Means Committee passed paying \$13.60 a case refund back to the owners of the bonded liquor. Get Mr. LaGuardia's speech and read where he said Mr. Mellon himself got much of that \$200,000 refund. That bill had a

unanimous report of the Ways and Means Committee. I want to say to my friends on this question of prohibition and on this liquor question I am going to do my own thinking. I am going to look at these bills, I am going to analyze their provisions, and I am not willing to place in the hands of any man, especially not in the hands of the prince of all liquor owners of the United States the greatest power that was ever placed in any man's hands in the United States. This is a monstrous bill and it ought not to be passed. It is not a bill that ought to appeal to the statesmanship of this House. It is not a bill that ought to appeal to the dries.

I do not blame the wets for fighting this wet bill, because they know that Mr. Mellon has an interest in this business. The wets of the country know that Mr. Mellon could easily make millions of dollars out of this bill for himself and for his friends and at their expense. That is the reason why they are against it.

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield there?

Mr. BLANTON. I am sorry I can not just now. In a minute I will. I will tell you why some of the dries are for it. They are for it simply because of section 3. That is the only reason why any dry has ever gotten behind this bill. It is because it provides for concentration in six warehouses.

Under the present law Mr. Secretary Mellon, if he wanted to, could concentrate this same liquor now in one warehouse. There is nothing in the present law that would prevent him. He could put it in six now.

That was a pertinent question propounded by my colleague from Texas [Mr. GARNER] a few moments ago, when he replied to Mr. Hawley that if a million dollars could be saved by concentrating, why has not Mr. Mellon been saving that million dollars annually all along by concentrating the warehouses to six. I have been in favor of concentrating all the liquor in this country in one warehouse, where it could be watched by the officers of the Government. When you take the concentration part, section 3, out of this bill, there is no dry part of it left. It is a wet bill straight out from top to bottom.

Mr. COOPER of Ohio. Now, will the gentleman yield?

Mr. BLANTON. I gladly yield to my friend from Ohio, who is one of the most dependable dries in the Nation.

Mr. COOPER of Ohio. I know that the gentleman is sincere in his effort to bring about prohibition law enforcement.

Mr. BLANTON. I have fought side by side with the gentleman from Ohio on the prohibition enforcement question, and will follow him on that question anywhere.

Mr. COOPER of Ohio. I have never fully made up my mind, but whom would the gentleman have to supervise the distillation and distribution of medicinal liquor?

Mr. BLANTON. I would have a dry, and not a wet, and Mr. Mellon is the prince of the wets in the United States.

Mr. COOPER of Ohio. That does not answer my question.

Mr. BLANTON. Does the gentleman deny that he is a wet, that he is the prince of wets?

Mr. COOPER of Ohio. I am not bringing his name into it. But whom would the gentleman have to supervise this business?

Mr. BLANTON. I would have an earnest, conscientious dry man who believes in prohibition and in the administration of the law, a man like my distinguished friend from Ohio [Mr. COOPER]. I would confidently leave it to him. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WILLIAM E. HULL rose.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. WILLIAM E. HULL. Mr. Chairman and gentlemen of the committee, medicinal spirits, according to the Volstead law, must be manufactured in such quantities as the Secretary of the Treasury may deem necessary for the current needs for all nonbeverage uses.

Several bills have been introduced and have been considered by the Ways and Means Committee: H. R. 15601, introduced by Mr. GREEN; H. R. 16841, introduced by Mr. HULL; and H. R. 17130, introduced by Mr. HAWLEY.

The first two bills were written with the idea of purchasing all of the available spirits in the United States for the purpose of preserving it for medicinal use and to be distributed in accordance with the law. However, the Ways and Means Committee could not see their way clear to accept either the Green bill or the Hull bill, because the Green bill put the purchasing power in the hands of a monopoly or a number of large holders of whisky, with no restriction on the price that would be charged. The Hull bill put the purchasing power in the hands of the Secretary of the Treasury and organized a corporation, similar to the Panama Canal Corporation, so that the Government would not only purchase all of the available spirits but

would distribute the same after they are bottled and would give authority to certain distillers who might desire to go back into the manufacturing business to make whiskies under a formula prescribed and at a price of profit stipulated in the bill not to exceed 10 cents per gallon.

The committee, however, decided to write their own bill, which is known as the Hawley bill, H. R. 17130, and makes provision for the contracting of medicinal spirits to not more than six nor less than two distilleries in the United States to make the required amount of medicinal spirits in accordance with the formula provided by the Secretary of the Treasury. It does not, however, provide any competent rule for the price to be charged for the manufacture of such medicinal spirits. Nor neither does it provide for the selling price to the consumer in any direct way.

For the few minutes assigned to me I shall analyze this bill merely for the purpose of giving the House what information I may have in reference to it.

The bill provides on page 2, section 2, line 8 to line 12, that—

the Secretary of the Treasury is authorized to issue permits for the manufacture of such distilled spirits by such persons as he may select, and for such periods, in such quantities, and subject to such other requirements as he may prescribe, except that—

First. Not less than two and not more than six permits shall be outstanding at any one time.

Second. Each permit shall require manufacture according to formulas prescribed by the Secretary of the Treasury.

Third. A permit may be issued for any period expiring not more than 10 years after the 31st day of December next succeeding the issuance thereof. Such permits shall provide for manufacture in each year of such quantities as the Secretary of the Treasury shall from time to time prescribe.

Fourth. Permits may be renewed unless the permittee has failed to carry out in good faith the provisions of this act, the regulations issued thereunder, or the terms of the permit, or has violated any provision of law relating to intoxicating liquors.

The above, in my judgment, is a fair bill so far as it goes. It does give the Secretary of the Treasury, of course, the opportunity of making a monopoly of the distilling and whisky business, and this will be an absolute monopoly for 10 years, and therefore I want every Member of this House to keep before him this fact.

In order that the public may not be overcharged for medicinal spirits I propose at this point to put in an amendment. This will be an amendment to section 5.

I think the amendment will be meritorious, because if the bill passes as it is written, with only the words "a reasonable price," which means nothing, for what might seem reasonable to one man might not seem reasonable to another, or it might cost 20 cents to 25 cents a gallon more for one distiller to make whisky than it would another, and while 25 cents a gallon does not seem to be a great overcharge, yet after you have carried the whisky four to five years and added 25 cents a gallon for carrying charges and then allow the shrinkage that will necessarily occur, you bring the price of this whisky up to a considerable amount. And therefore I propose when the proper time comes to offer an amendment to this paragraph. This is the amendment I shall offer:

On page 3, line 3, strike out the word "each" and the following words down to and including the word "manufacturer," on line 7, and insert in lieu thereof the following: "Permits shall be awarded to the applicants possessing the most advantageous qualifications, on the basis of information furnished by them, as to plant equipment, warehousing, and shipping facilities, location for distribution purposes, and low cost of production and margin of profit: *Provided*, That no permit shall be awarded to anyone whose margin of profit for manufacture exceeds 10 cents per gallon and for bottling 50 cents per case, and charges for storage exceeds 8 cents per barrel per month."

I want to speak on that amendment for just one minute.

Mr. BLANTON. Is the gentleman against this bill?

Mr. WILLIAM E. HULL. Yes; as it stands.

Mr. BLANTON. And the gentleman was formerly in the distilling business?

Mr. WILLIAM E. HULL. Yes. This is one of the most important things in the bill that I know of.

Mr. TREADWAY. Where does the gentleman propose to insert his amendment?

Mr. WILLIAM E. HULL. On page 3, line 3.

Any distiller in the United States would be glad to accept this proposition, and it will enable the whisky to be made for 40 cents a gallon.

And, then again, on line 15, page 3, I intend to offer another amendment so as to strengthen the amendment mentioned above.

Again, I intend at the proper time to offer an amendment to section 4, on page 9, to protect the consumer from an overcharge to be made by the druggist.

With these three amendments to this bill, I am inclined to believe that the bill will be satisfactory to the general public.

And, while I would much prefer bill H. R. 16841, which was written for the purpose of giving to the country a practical bill on this subject where there could be very few opportunities for deceiving the public or the Government, but realizing that you can not always get into a bill all that is necessary for the best interests of the public, I believe that the bill offered by Mr. Hawley, which is agreed to by the committee, with the amendments that I am to offer, will give to the public a good medicinal whisky for the future at prices that will be reasonable or about the same as they were before the war.

In order that you may thoroughly understand what the prices should be, I will explain.

A good rye whisky before the war could be made at 40 cents per gallon; a good Bourbon whisky could be made for 37½ cents per gallon. It could be bottled and sold to the trade at \$9 per case for 2 dozen pints; it could be sold at retail at 75 cents a pint, and there is no reason now when you start again to manufacture whisky, if the contracts are properly let and the profits are justly arranged, that the patient buying whisky for medicinal purposes should be charged more than 80 cents to \$1 per pint.

The interest that I am taking in this matter is solely for the reason that I believe the poor man and the laboring man is just as much entitled to purchase medicinal whisky for his sick as the rich man is for his.

Mr. KINDRED. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM E. HULL. Yes.

Mr. KINDRED. The gentleman is an authority on the making and distribution of whisky, and good whisky. Now, on the gentleman's authority would it be fair to say that after taking into consideration all the items that enter into the production of whisky by the distiller and in the distribution could a sick patient in the country expect to get it as low as \$1.50 a pint?

Mr. WILLIAM E. HULL. They could get it at 80 cents a pint. That would give the druggists 100 per cent profit. These are the additional amendments I propose to offer at the proper time:

On page 3, line 15, after the word "permittee," insert the following: "has made any false statement, or failed to carry out representations made, in any application for a permit, or"

On page 9, line 5, after the word "treasury," strike out the word "of" and the following words down to and including the word "withdrawn" on line 12 and insert in lieu thereof the following: "a suggested resale price to be fixed by the Secretary of the Treasury at which such distilled spirits shall be sold to the public, which price shall not exceed the price plus 100 per cent gross profits."

On page 9, line 12, after the word "withdrawn" strike out the semicolon and insert a period and add the following words: "Such label shall also bear a statement of the resale price to be fixed by the Secretary of the Treasury at which it is suggested such distilled spirits shall be sold by the retail druggists to the public, which price shall not exceed the price to the retail druggist, plus 100 per cent gross profit."

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BANKHEAD. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. JOHNSON].

The CHAIRMAN. The gentleman from Kentucky is recognized for 10 minutes.

Mr. JOHNSON of Kentucky. Mr. Chairman, I had hoped to be able to discuss this bill this afternoon more at length than I have time at my disposal, but if I had the time I would not be able to discuss it as I would like for the reason that I am now in the throes of grippe; I am suffering intensely and I shall have to go home immediately after concluding my remarks.

I believe this report contains more misstatements and more misinformation than any report I have ever seen filed in this body during the 20 years I have been here. One bill, called the Green bill, has been defeated. This is as "verdant" as that was. The only material difference between them is that the United States Government was to furnish \$35,000,000 to finance the purchase and manufacture of whisky under the other bill, but it is not to furnish the money under this bill. All the ugly features of the other bill, clothed in different language, are in this bill. There is a distinction but not a real difference in these two bills, except the one I have mentioned.

Reference has been made here to the attorney for the druggists. I bear no commission for him; he is a stranger to me, but I venture the opinion that his reputation for integrity



will compare most favorably with a concern that, in my opinion, is to be designated as one of the manufacturers of whisky if this bill should pass. That concern, which, I believe, is to be designated as one of the manufacturers, is a Kentucky distillery, and it has paid to the United States Government one of the biggest fines ever assessed for fraud against a distillery in the United States since the manufacture of whisky was commenced. That concern has had its lobbyists here with the committee and around this House seeking the passage of the other bill, and now is seeking the passage of this bill. He is cooperating, as they would have it appear, with the drys; yet the manufacture and the sale of whisky is to be put in the hands of this man, I believe; in other words, prohibition, by this bill, is to be put into the hands of whisky people who have been branded as crooks. I can not possibly see it in any other way.

I am not able, as I would like, to address the committee longer; I am too sick. Mr. Chairman, I yield back the remainder of my time. [Applause.]

The CHAIRMAN. The gentleman from Kentucky yields back six minutes.

Mr. BANKHEAD. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR of New York. Mr. Chairman and gentlemen of the committee, when this bill came before the Rules Committee, of which I am a member, and the proponents of the bill asked for a rule, I am confident I speak the opinion of the rest of the committee when I say that at the close of the hearing we could not tell whether the proponents were for the bill or against the bill. Some of them would not permit questions directed to that point and appeared as dubious as we did as to just what beneficial purpose the measure would serve.

I do not know whether it is a coincidence that this particular subject matter is brought up for discussion on this historic day. Is it because history records that the illustrious gentleman whose birthday we have just celebrated so impressively was not entirely unfamiliar with the subject matter of this "whisky" bill and its manufacture? But I rose principally to answer some remarks made on the floor to-day, although I had not intended to participate in the debate. My first observations were that each side was calling its experts to state the need for whisky and the necessity for the monopoly of its manufacture. The solemn gentleman from Oregon first told us of the dire straits we were in because of the approaching day when the stock of "100 proof" would be depleted. Then the opponents called to arms the gentleman from New York, one of America's most distinguished physicians and psychiatrists, Doctor KINDRED. He gave us the benefit of his expert opinion on the bill, and when he had taken his seat the gentleman from Oregon [Mr. HAWLEY], in charge of the bill, announced, in his usual sonorous voice, that he yielded five minutes to none other than "Doctor" CROWTHER of New York. I could sense the hush which fell on the committee as the gentleman from Schenectady strode into the rostrum with all the bearing and dignity of a major-domo and proceeded to expound to us his experience as an expert on the subject matter of the bill. The battle of the giants of the profession was on. I knew the gentleman from New York was called "doctor," but I was surprised to hear that he was learned in medicine. So to refresh my recollection I looked again in the Congressional Directory. There he has himself recorded that after being born in England he obtained a degree of D. M. Dat a dental school. It is not stated whether he ever practiced the trade. I, of course, with no "M" in my degrees can not dispute his technical knowledge, but I do wish to reply to certain remarks he made as a political prophet. With all the assurance of a "spokesman," he sounded the first note of the next Republican presidential campaign. Mark you well! The Republicans would go to the country on the sole issue of the eighteenth amendment and the Volstead law.

The tariff, foreign relations, farm relief, tax reduction, all those mooted questions were to be abandoned. "Beer" is to be the shibboleth. We are to understand he spoke for the President, who was here only to-day, and has never yet spoken for himself. We have yet to hear the Chief Executive of this country state his position on the Volstead law or the eighteenth amendment. New York is willing to go to the country on the issue the gentleman has framed, but, of course, we refuse to cast into the discard the other great issues which distinguish the two parties. It may be well to recall that recently we had a referendum in New York, by which the gentleman from New York, "Doctor" CROWTHER, refused to abide after the overwhelming vote of the people of his State. As far as his State is concerned, that issue has been settled.

The gentleman from Texas [Mr. BLANTON] has said that the "wets" are for this bill because they are interested in the whisky interests. He has got to find some explanation for

being in the same bed with them in this instance. He and the gentleman from Georgia [Mr. UPSHAW] are at present experiencing the agony because they are lined up with the "wets" in opposition to this bill. That is the first time I have ever heard the charge made on this floor that any "wet" was interested in anybody engaged in the making or selling of liquor. On the contrary, the gentleman from Illinois [Mr. WILLIAM E. HULL], whom the gentleman from Texas [Mr. BLANTON] always twits as being a big distiller, is for the bill. Again, the gentleman from Kentucky [Mr. JOHNSON], who represents the greatest whisky-distilling district in this country, is against the bill. Where are we at? The Anti-Saloon League is the chief proponent of the bill, and, lo and behold, we find UPSHAW, BLANTON, HUDSON, and other uncompromising and unreasonable "drys" opposed to it. Is this gratitude? What was it some one said about "the hand that fed us"?

It was just such confusion under which the Rules Committee labored when it heard the application for consideration of this measure. The "drys" were for it, the "wets" were for it. The "drys" are now against it, the "wets" are now against it. Who will stand forth and admit its parentage? Sotto voce in this Chamber it is being accused of having been born out of wedlock, and now the nuptial is about to be performed between the "wets" and the "drys."

Some of us with senses other than smell, can see beyond any "wet" and "dry" issue in this bill. Its legislative history casts a blight on it. The great Ways and Means Committee voted it out unanimously, but it was hardly printed until members of that committee began to question its merit. Other members disowned it. Many of the remaining members of that committee feel stultified to vote for the bill, although their comment and questions indicate their dubious state of mind. Witness the uncertain attitude of the gentleman from Texas [Mr. GARNER]. All this, gentlemen, has overnight created enough doubt in the minds of many members, irrespective of whether they are "wet" or "dry," to inquire into the bill and to ask what is this "thing"; what ulterior motive is behind this measure which it is sought to force through at this late day in the session? Is it to give the Mellon interests a monopoly on the manufacture of whisky? What hearings were held on this bill?

Mr. GREEN of Iowa. My friend surely does not want to create the impression there were no hearings.

Mr. O'CONNOR of New York. Oh, no; there were hearings on whisky bills, but not on this particular bill, as I am informed. The hearings were held on other measures which were voted down and were not identical with this bill.

The health of the country is involved in this bill. Shall there really be medicinal whisky? The eighteenth amendment sanctions it.

Shall there be sufficient for the needs of all the people? Shall its price be so regulated that rich and poor may be able to obtain it when their health requires it?

I am willing to accept the challenge of the gentleman from New York, "Doctor" CROWTHER, and go to the country on a measure like this. If this is the way you propose to safeguard the health of the people of this country, we will meet you on the issue.

This is a question of wealth against health. You create a monopoly of a necessity and then permit the prescribing of formulas by the Secretary of the Treasury. Will it be 100 proof for the rich and poison for the poor? Some of us are more concerned with the health of the people of this country than we are that the control of this great medicinal enterprise be lodged in the hands of just two persons selected by the Secretary of the Treasury at the possible cost of the health of millions of the people of this country. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BANKHEAD. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman and gentlemen of the committee, in answer to the gentleman from Mississippi [Mr. COLLIER] who has just addressed you, and answering my colleague from New York [Mr. CROWTHER], I desire to say that the American Medical Association is on record that whisky is a proper medicinal reagent, and in proof thereof the American Medical Association, through its counsel, appeared as amicus curiae in the case of Dr. Samuel W. Lambert against Edward C. Yellowby, decided November 29, 1926, in the United States Supreme Court. The association appeared in opposition to these features of the Willis-Campbell Act, which put restriction on doctors in prescribing whisky.

But we must not lose sight of the fact that this Congress in passing the Volstead Act recognized the therapeutic value of whisky, therefore any lay or professional opinion now given

to the effect that whisky has no medicinal properties is now beside the point.

Gentlemen of the committee, there is actually no necessity for this bill to pass at all. We have heard much from lawyers and laymen of the House as to whether or not there would be confusion in granting permits to distillers, and that under present law every distiller applying would have to be granted a permit. Gentlemen, I venture the assertion, and I know whereof I speak, because I have been engaged in cases in which distillers have been involved. I have appeared for and against distillers, and I know something about the work they do—and I venture the assertion that there will not be one distiller seeking a bona fide permit for the manufacture of whisky under the provisions of this bill.

Oh, yes, there are applications on file, but those are only to safeguard their rights. So the proposition of a distiller would be insane to risk his capital upon a venture so hazardous as the manufacture of whisky. He would be subject to the will and caprice of Congress, dominated to-day by the Anti-Saloon League and tomorrow by another league, probably just as intolerant. This bill offers no safeguard to the distiller. It does not guarantee that his investment will be safe. It takes four years to age whisky. For those years he could not obtain one cent's worth of return on his investment. I repeat, a distiller would be foolish to attempt to distill unless better inducements were offered him than are contained in this bill. But once you offer him inducements the "drys" would set up a huge cry against it. To my mind, there is only one thing to be done, and that is to have the Government distill for future needs. In due time I shall offer such an amendment to the bill.

But going back to the Willis-Campbell Act, we know that Congress gave the right to the Commissioner of Internal Revenue—not to the Secretary of the Treasury—to grant permits for the manufacture of whisky and to import whisky from abroad when it was essential for him to do so to safeguard and replenish the present existing stock.

The portions of the Willis-Campbell Act referred to are as follows:

No spirituous liquors shall be imported into the United States, nor shall any permit be granted authorizing the manufacture of any spirituous liquor save alcohol until the amount of such liquor now in distilleries or other bonded warehouses shall have been reduced to a quantity that, in the opinion of the commissioner, will, with liquor that may thereafter be manufactured and imported, be sufficient to supply the current need thereafter for all nonbeverage purposes.

Now it is said that the Attorney General has ruled that this legislation is necessary in view of the decisions, and it is implied that, other things being equal, the Commissioner of Internal Revenue would have to grant permits to all distillers applying therefor and that there would result a multiplicity of distilleries and consequent confusion. With all due respect to the Attorney General, I am of the opinion that he is in error. I direct attention to the case of *Ma-King Products Company v. David H. Blair*, Commissioner of Internal Revenue, Case 333, United States Supreme Court, decided June 1, 1926, Justice Sanford delivering the opinion; and I specifically direct that case to the attention of the gentleman from Massachusetts [Mr. TREADWAY].

That case must be read in connection with the provisions of the Willis-Campbell Act heretofore referred to. The *Ma-King* case was a review of the action of the commissioner in refusing to grant a permit to operate a plant for denaturing alcohol. The court held that it was clear that the national prohibition act did not impose upon the commissioner a mere ministerial duty of issuing a permit to anyone making an application on the prescribed form. On the contrary, there was placed upon the commissioner a responsibility of granting or withholding a permit depending upon the facts in each case. Speaking of the national prohibition act the court held "it does not provide that the commissioner shall issue any liquor permits but merely that he may do so." "These provisions, as well as the purpose of the act, are entirely inconsistent with any intention on the part of Congress that the commissioner should perform the merely perfunctory duty of granting a permit, to any and every applicant without reference to his qualification and fitness."

Now, gentlemen, that is decisive of the proposition. He has the right to grant an application or refuse an application provided he does not act arbitrarily and provided he does not act from caprice or for transient reasons.

Mr. GREEN of Iowa. No one has contended that he has not the right to refuse to issue a permit to one that was not properly qualified.

Mr. CELLER. The case goes further than that. This is the first case on record where the Supreme Court has officially decided the question that the commissioner has discretion in

the matter of these permits. Now we must furthermore read the *Ma-King* case in the light of the Willis-Campbell provisions.

Suppose the commissioner grants four or five permits to distill (the instant bill provides that there may be granted upwards of six permits) and it is deducible that these four or five plants or distilleries, in the opinion of the commissioner, will be sufficient to supply the current needs of the next 10 years. An additional application is then made for a permit. Under the *Ma-King* case the commissioner would have the right to refuse a permit.

I repeat, therefore, there is no need for the present bill as to future manufacture of whisky as a result of grant of additional powers. There is ample power in the present law and the commissioner should immediately grant, if my amendment for governmental manufacture does not go through, several permits for distillation. Under the last findings of the Commissioner of Internal Revenue (see his report ending fiscal year July 1, 1926, p. 144) there were in bond 26,553,999.5 proof gallons of distilled spirits in some 36 or 37 warehouses. I say to the gentleman from Kentucky [Mr. BARKLEY], who seemed to imply that huge amount should be sufficient to supply our needs for years to come, that those figures represent original gauge. A regauge would cause these figures to shrink to about 9,000,000 gallons. The difference is due to natural evaporation, leakage, as well as from stealage and substitution of water for whisky. For general information purposes:

Prior to the Willis-Campbell Act, I am informed that there was whisky distilled—that is, after the passage of the Volstead Act—and that the Large Distilling Co., of Pennsylvania, between the dates of January 17, 1920, and November 23, 1921, produced 765,073.6 proof gallons, and that the Gwynbrook Distilling Co., of Maryland, in that same period, produced 513,076.8 proof gallons.

There is also sufficient warrant of law for the Commissioner of Internal Revenue to further concentrate whisky. He has already reduced the warehouses to 31. I believe that is the number in existence to-day. The commissioner had power, therefore, to reduce the number of warehouses to 31. He could further reduce them to 6. No further legislation is necessary.

The National Association of Retail Druggists is opposed to the bill and I herewith submit a portion of a statement that it offers against it:

The quality and purity of medicinal whisky are fixed by the standard in the United States Pharmacopoeia. Any retail druggist who dispenses medicinal whisky below this standard is subject to revocation of his license as a registered pharmacist, under State law, and to the loss of his permit, under the Federal law, because not dispensing in good faith. Severe penalties are also imposed by Federal law.

The insincerity of the proposed legislation is demonstrated by the testimony before the Ways and Means Committee (p. 87, hearings, January 11, 12, 15, 18, and 20, 1927) in relation to H. R. 15601, which was rejected, showing that the known diversion of alcohol to unlawful purposes was 27,000,000 gallons in 1925, while the total distribution of medicinal whisky under Government permits in 1926 was less than 2,000,000 gallons, and the manufacture of alcohol has increased to more than 200,000,000 gallons in 1926, with the authorized purchase of medicinal whisky still less than 2,000,000 gallons.

The wholesale druggist is the credit mainstay of the retail druggist, and H. R. 17130 deprives the wholesale druggist of any participation in the distribution and sale of medicinal whisky to the retail druggist trade.

The bill proposes to label each pint of whisky with the wholesale cost to the retail druggist, to make it appear that the retail druggist is "profiteering," which is not true, the cost of whisky representing only 59 per cent of the retail druggist's necessary selling price.

Organized pharmacy is opposed to H. R. 17130 because a monopoly of the manufacture and distribution of medicinal spirits would increase the price to the public, encourage consumption of alcohol for beverage purposes, and compel more burdensome regulations for retail druggists handling alcohol only. Competition, not legislation, is the public's safeguard for pure whisky at reasonable prices.

The National Association of Retail Druggists, representing the distributors of medicinal whisky designated by Congress, were denied a copy of the original bill until it was furnished the public, although drafted by the Treasury Department in consultation with the preferred distillers, as shown by the hearings. The association was ignored when it offered to cooperate with the Ways and Means Committee in preparing H. R. 17130. The Rules Committee curtly declined a tender of aid by the association, so that the pending bill is being pushed through Congress without a public hearing and due consideration of any but purely selfish interests.

The National Association of Retail Druggists is affiliated with 46 State pharmaceutical associations and city and county associations throughout the United States, representing 53,000 retail druggists, and the interest of hundreds of thousands of drug-store patrons. The sig-



natures of the officers of some of the associations are hereto subscribed and all of them would be appended if time permitted.

#### THE NATIONAL ASSOCIATION OF RETAIL DRUGGISTS

By Samuel C. Davis, Nashville, Tenn., president; Samuel C. Henry, Chicago, Ill., secretary; Julius H. Riemenschneider, Chicago, chairman executive committee; Paul Pearson, chairman legislative committee; Eugene C. Brokmeyer, Washington, D. C., general attorney.

#### STATE AND LOCAL PHARMACEUTICAL ASSOCIATIONS

West Virginia Pharmaceutical Association, H. C. Wallace, president; J. Lester Hayman, secretary.  
 New Hampshire Pharmaceutical Association, Frank French, president; D. Leo Hallisey, secretary.  
 Oregon State Pharmaceutical Association, L. B. Russell, president; Frank S. Ward, secretary.  
 Colorado Pharmacal Association, J. A. Vanlopik, president; Charles J. Clayton, secretary.  
 South Carolina Pharmaceutical Association, John H. Prierson, president; Frank M. Smith, secretary.  
 Mississippi Pharmaceutical Association, J. T. Mathis, president; A. S. Goody, secretary.  
 Missouri State Pharmaceutical Association, H. C. Tindall, president; W. H. Lamont, secretary.  
 Massachusetts Pharmaceutical Association, William H. Townsend, president; James F. Guerin, secretary.  
 Rhode Island Pharmaceutical Association, Charles F. Gilson, president; Frank J. Duffy, secretary.  
 Alabama Pharmaceutical Association, H. E. Duncan, President; W. E. Bingham, secretary.  
 Vermont Pharmaceutical Association, W. E. Chapman, president; F. W. Churchill, secretary.  
 Texas Pharmaceutical Association, Zeb. W. Rike, president; Walter D. Adams, secretary.  
 Kentucky Pharmaceutical Association, Edward H. Hinkebein, president; J. W. Gayle, secretary.  
 Tennessee Pharmaceutical Association, Frank Bogart, president; William P. Winters, secretary.  
 Virginia Pharmaceutical Association, N. G. Miller, president; A. L. I. Winne, secretary.  
 Connecticut Pharmaceutical Association, James W. Lynch, president; P. J. Garvin, secretary.  
 Minnesota Pharmaceutical Association, A. L. Malmo, president; Gustav Bachman, secretary.  
 New Jersey Pharmaceutical Association, Frank P. Strehl, president; Robert P. Fischel, secretary.  
 Pennsylvania Pharmaceutical Association, Joseph W. England, president; J. G. Nob, secretary.  
 Utah Pharmaceutical Association, E. E. Carr, president; John Cully, secretary.  
 New York Pharmaceutical Association, T. Bruce Furnival, president; E. S. Dawson, secretary.  
 Illinois Pharmaceutical Association, J. B. Mickels, president; W. B. Day, secretary.  
 Chicago Retail Druggists' Association, Henry J. Krueger, president; H. J. Holthofer, secretary.  
 St. Louis Retail Druggists' Association, W. C. Todd, president; S. H. Wortmann, secretary.  
 District of Columbia Retail Druggists' Association, Paul Pearson, president; Norman D. Parker, secretary.  
 Associated Druggists of New Jersey, George I. Schreiber, executive secretary.  
 Idaho Pharmaceutical Association, H. T. Davis, president; J. C. Anderson, secretary.  
 North Carolina Pharmaceutical Association, C. L. Eubanks, president; J. G. Beard, secretary.

Mr. BANKHEAD. Mr. Chairman, I yield five minutes to the gentleman from Georgia [Mr. UPSHAW].

Mr. UPSHAW. Mr. Speaker, and gentlemen, in voicing my honest opposition to this bill I pause in passing long enough to say that if I have "furnished gaiety for this House and the nations of earth," as the "damp" gentleman from New York [Mr. CAREW] facetiously declared, I have made that contribution on the side of the Constitution of my country—personal and national sobriety—and I have practiced what I have preached. [Applause.]

And, very frankly, I would rather furnish gaiety for "this House and the nations of earth" than to furnish the gloom that was produced by the old saloon—yea, the 177,000 saloons that were put out of business by the eighteenth amendment, which the gentleman and his wet companions in New York and in this House want to see repealed. The gentleman from wet New York is greatly mistaken again when he says that prohibition has "introduced corruption." Verily, as some philosopher recently said: "Prohibition has not made criminals—it has only revealed them."

But such argument should not have been introduced into this discussion. All of us who are loyal, honest Americans are anxious to obey and help to enforce our prohibition law.

However, this medicinal whisky bill is something in which we find honest men sharply differing—men on both sides of the aisle and both sides of the wet and dry question. Naturally, I would love to support General Andrews, for whose honest ability I have such high regard, and also with Wayne B. Wheeler, for whose brilliant, fearless, and consecrated leadership I entertain the most enthusiastic admiration. Both of these leaders believe that this bill will produce conditions better than the present. Perhaps so; but I feel somehow that the working principle of the thing is wrong. To give two or three or six men the privilege of making private money out of this great liquor monopoly, with all its insidious suggestions of graft and corruption, is just as wrong as the eighteenth amendment is right. Remember that this liquor monopoly would be in the hands of men who have been making money all their lives by distilling and selling liquor.

I am afraid of it. I am afraid of them. If medicinal liquor must be made, let the Government make it and dispense it at actual cost. Let the alluring seduction of private gain be forever eliminated. Or, if this bill must pass as an emergency measure, let the elastic word "reasonable," as applied to profit, be eliminated and a stipulated per cent be substituted so there will be no door through which flagrant abuses may enter. I would love to vote for this bill if it could be so amended and safeguarded as to allow me to still sleep with my conscience. But with some independence of thought and regnancy of conscience still left, I must refuse to be driven from my honest conviction on the question, because I find some wets who happen to be clear-headed enough for once to vote on the right side. [Applause.] Naturally I had hoped that this emergency bill would command my support. I love to see my "dry" crowd united, but I would rather look in the glass at a man who, though perhaps mistaken, had been true to his convictions.

Mr. SCHAFFER. Mr. Chairman, will the gentleman yield?

Mr. UPSHAW. Pardon me, please, I am quite busy. [Laughter.] I remember that the gentleman from Wisconsin tried to throw a bottle of beer into my speech the other day [laughter], and I am afraid he might do it again. I would rather find myself voting right on the same side with some man who sometimes votes wrong than to vote on the side of the lobbyist of a distiller who hopes to be designated as one of the men to do the manufacturing of this liquor, as was brought out by the gentleman from Kentucky [Mr. JOHNSON]. [Applause.] Some one said playfully, on this side, "Oh, if we could only just be one of the six distillers." If I had the privilege of being one of the six to make money privately out of a thing as debauching as liquor, God knows I would turn it down, if it amounted to a million dollars a year. I do not want any money in my hands that came from poisoning humanity. This is my position.

If we had to vote permanently for the question between 66 medicinal distilleries and 6, of course, I would vote for 6. I frankly believe that it could be reduced to six distilleries and six warehouses now if the Treasury Department were so minded, but the thing the people can not understand—the thing that those who honestly oppose liquor in any form now object to—and it is the thing that controls me chiefly in this matter—is this: The proposition to put into the hands of private individuals the right to manufacture and sell liquor when their compensation depends on the genius, the energy, and the resourcefulness with which they manufacture and distribute it. I am opposed to the manufacture and sale of liquor by any private individual. It is already prohibited by the eighteenth amendment. I said three years ago that I was in favor of the Government's taking over at fair valuation every gallon of liquor in this country, and allowing no private individual to make any sort of profit out of it. The devilish stuff is so insidious—it gets such a deadly hold upon its victims whether maker, seller, buyer, or user—that I am opposed to private, gainful contact with either its creation or distribution. The great Doctor Mayo, the famous surgeon, of Rochester, Minn., recently declared here in Washington that we do not need liquor as a medicine.

And another great physician, Dr. Lamartine G. Hardman, the next governor of Georgia, declares that for 35 years in his sanitarium he has never used it, because he found that it hurt his patients instead of helping them. He and Doctor Mayo agree with an increasing number of leading physicians that there are safe substitutes for whisky as a medicine, and that alcohol as a whole is a blight instead of a blessing. The truth is, I am greatly inclined to believe with Sam Jones, the famous Georgia evangelist, who used to say when furiously fighting saloons on every side: "Yes, whisky is a good thing in its place, but its place is in hell."

We do not want to let the wires carry to-morrow across the world the announcement that the United States that outlawed the manufacture and sale of liquor has proposed to go again into its manufacture by individuals by giving a monopoly to two or three, or six old-time distillers for the continuation of its manufacture. Let us break with the whole thing, and obey the Bible injunction to "abstain from every appearance of evil" by never again allowing any sort of private gain from the manufacture of intoxicating liquors. [Applause.]

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. UPSHAW. If I have the time.

Mr. COOPER of Ohio. The gentleman from Georgia surely does not want to contend that the Constitution prohibits the distillation of medicinal liquor.

Mr. UPSHAW. Certainly, it does not, but if I had had my way, the Volstead law, which was enacted for the support of the Constitution, would not only have prohibited that, but it would have taken all stocks of liquors from the cellars of the rich—for they have been like many drug stores that sell, and want to sell, medicinal liquors—like a nest of vipers—full of poison and death. [Applause.]

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. HAWLEY. Mr. Chairman, I yield five minutes to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Chairman, I can not yield, in the five minutes that I have, to anyone. So I trust no one will interrupt me. I do not think the gentleman from Iowa [Mr. GREEN], the chairman of the Committee on Ways and Means, is subject to criticism for having introduced an administration bill on this subject. It is customary for the chairman of a committee to introduce an administration bill. I want to say for my friend from Iowa that he is diligent, sincere, and follows his convictions, and when he has introduced a bill, if it does not meet with his approval, he votes against it just as he voted against this original administration liquor control bill. [Applause.]

The committee had long hearings on this subject, and the committee could not in its wisdom favor the bill sent down by the Treasury Department, and it was defeated by a vote of 16 to 8. The committee then instructed a subcommittee after our hearings to see if they could prepare a bill that would carry out what General Andrews, the head of the Prohibition Enforcement Unit, said was essential if the prohibition law was to be enforced, to wit, power to concentrate the liquor from 36 warehouses into 6, and to place some limitation upon the number of permits that could be issued in the future for the manufacture of necessary medicinal liquor. The solicitor of the Prohibition Unit and General Andrews contended before the committee that if nothing was done he would have to issue permits this year for the manufacture of medicinal liquor, that under the American pharmacopoeia they could not use liquor for medicinal purposes until it had been manufactured four years, and unless they started to manufacture liquor this year there would be no supply after four years as only 10,000,000 gallons of lawful whisky was in the bonded warehouses, four years' supply, and as under the Constitution medicinal liquor is recognized and legal, he would be forced to issue permits for its manufacture. General Andrews and the Prohibition Unit contended that if there was not some limitation placed upon the permits, when he issued one, or two permits to manufacture the liquor, others who met the requirements of the law could come in and mandamus him and compel him to grant them permits also. He feared he would be forced to issue 50 or 60 permits. The committee then figured two things. Some of the committee believed that the department has now the power, that it can limit the permits issued, that it can force a concentration in six warehouses; but there was some doubt about it, and the committee decided, if there was any doubt, to resolve the doubt in favor of giving the Prohibition Unit the authority they said was necessary for the enforcement of the law. I know some very sincere friends of prohibition are here opposing this bill. I also know a number of gentlemen, who have much to say about the nonenforcement of the prohibition law, are here opposing this bill which the Treasury Department and which General Andrews say is necessary to stop bootlegging and to insure pure medicinal liquor and the enforcement of the prohibition law. If there is any doubt about it, I am going to vote to give them the authority they say is necessary to enforce the law.

Mr. BLANTON. Will the gentleman yield?

Mr. CRISP. I can not. This bill does not require anyone to sell liquor they now have. They can concentrate their liquor in one of the warehouses, and the future manufacture of liquor is to be absolutely under the control and supervision of

the Government, as it is to-day. This bill changes in no respect the powers of the Government to supervise, protect, and direct the manufacture of liquor. Yes; it is a monopoly, and it is a monopoly to-day. The man who has liquor stored in one of the bonded warehouses can not use it or sell it until he gets from the Government a permit. This in no wise changes existing law so far as the sale of medicinal liquor is concerned.

Mr. CELLER. Will the gentleman yield?

Mr. CRISP. Mr. Chairman, I stated at the outset I was not going to yield. Many say something about the high cost of medicinal liquor. I care nothing about the high cost of medicinal liquor. I am supporting this bill for the purpose of giving authority to enforce the prohibition law, and, in my judgment, not 5 per cent of the selling of liquor is used for medicinal liquor. I care nothing about what it cost. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BANKHEAD. Mr. Chairman, I yield five minutes to the gentleman from Maryland [Mr. LINTHICUM]. [Applause.]

Mr. LINTHICUM. Mr. Chairman and gentlemen of the committee, I am opposed to this bill regarding medicinal liquor. I think it creates another one of those monopolies and limits to two and not more than six distillers a right to manufacture liquor. And, observe, it not only limits the authority to two and not more than six distillers to manufacture liquor, but they must manufacture the liquor in accordance with a formula prescribed by the Secretary of the Treasury, so this will not only limit the manufacture of liquor to these distilleries, but, according to subsection 2 of section 2, the Secretary of the Treasury has the right to prescribe the formula for the manufacture of liquor. Now, I am informed that the Secretary of the Treasury has been interested in the liquor business and perhaps so long as he is Secretary of the Treasury we might procure a very good formula, but we do not know that he shall always be Secretary of the Treasury.

Mr. HILL of Maryland. Suppose our colleague [Mr. UPSHAW] became Secretary of the Treasury, what kind of a formula do you think he would prescribe?

Mr. LINTHICUM. I should rather have our colleague from Illinois [Mr. HULL] Secretary of the Treasury, to prescribe that formula.

Mr. UPSHAW. I expect that testimony from my dry friends. [Applause.]

Mr. LINTHICUM. I do not think there is a real necessity for this law. The gentleman from Oregon [Mr. HAWLEY] said even at the present time under the present law and situation there were only 15 distilleries in the country who have asked for permits to manufacture liquor. We know there are a number of very good distilleries in this country who manufacture a particular brand of liquor. They have continued to manufacture this liquor for the past 100 years or more, and people have preferred some particular brand of liquor.

I think under a proper construction of the present law the Government has the right to limit manufacture to a certain number of distilleries. I should like to see the distilleries having the reputation for the production of splendid liquors for many years have a chance under the present law to manufacture liquor. This bill would remove all competition—all competition as to price or as to quality. There would be only about two distilleries manufacturing liquor under the formula prescribed by the Secretary of the Treasury, and under the absolute domination of the Prohibition Unit. All liquor, just as soon as 5,000,000 gallons of that now in existence is brought under control of the permit distilleries, must be supplied from the stock and storage liquor of the permittees.

Mr. HILL of Maryland. Will the gentleman yield for a question?

Mr. LINTHICUM. I will.

Mr. HILL of Maryland. Does not section 2 on page 2 put in the discretion of the Secretary of the Treasury the whole question of determining whether there is an emergency?

Mr. LINTHICUM. Oh, I think subsection 2 of section 2 is a most dangerous one. According to that, if the Secretary wanted to prescribe some formula that did not have much alcohol in it and which would not be suitable for medicinal purposes he could do so. Why he has full control under this bill, of course. That is the aim of such legislation. In other words, this bill creates a huge monopoly under the Treasury Department. Fixes prices, presents formulas, compels private owners to sell or store their liquor at the permit distilleries, removes competition as to quality and price. We have divested Congress of the designation of cost and location of public buildings and vested it in the Treasury; we have vested in the War Department the expenditures and designations for river and harbor improvements, and so forth. Shall we take this further step in Government monopoly? Personally, I think it unwise. [Applause.]



The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. BANKHEAD. Mr. Chairman, I would like to inquire as to the time of the debate.

The CHAIRMAN. The gentleman from Alabama has 12 minutes remaining and the gentleman from Oregon [Mr. HAWLEY] 15 minutes.

Mr. HAWLEY. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. RAINEY].

The CHAIRMAN. The gentleman from Illinois is recognized for 10 minutes.

Mr. RAINEY. Mr. Chairman and gentlemen of the committee, I am going to read now from the bill:

The provisions of this act shall not be held to repeal any provisions of existing laws pertaining to intoxicating liquors or regulations or permits thereunder.

I have read this for the purpose of calling it to the attention of those gentlemen who have been placing so much misinformation in this RECORD; for the purpose of calling their attention to the fact that this does not change or alter the terms of the national prohibition act; that it does not change or alter the terms of the act of 1922, or of any act amendatory of those two acts except in two particulars. It is necessary now to provide for replenishment, and this bill does that. It is necessary also to provide—

Mr. CHINDBLOM. The gentleman did not read all of that paragraph.

Mr. RAINEY. No. If the gentleman will listen now, he will find out why. It is necessary to provide for concentration in fewer warehouses.

In those two particulars and in unimportant particulars connected therewith this bill does amend and extend existing laws and repeals that part of existing laws in conflict with this act. It does not interfere with the laws regulating the purity of liquor. A little while ago I said to my friend from New York, Doctor KINDRED, "Are you entirely satisfied with existing laws in the matter of regulating the purity of liquor?" He said he was satisfied with existing law. And now I call his attention to the fact that the existing law in this particular remains in force.

Now, I attended all of these hearings, and the hearings lasted many weeks. I was a member of the subcommittee which drafted this bill, and I know something about this bill and what it attempts to do, and I now know something about the subject. Under the five-minute rule I expect to call attention to a number of things, but in the brief time I have now I want to answer, if I may, the most apparently plausible and apparently forceful attack made on this bill.

The morning papers, I presume, throughout the entire United States carry the full-page advertisement attacking this bill which I hold now in my hand, and that is what I want to answer. The advertisement was prepared by Mr. Eugene G. Brokmeyer, general attorney for the retail druggists of the United States. I know him. I have heard his arguments before committees many times. He is a man of great ability, and he contributed much information on this subject and was given unlimited time in the hearings. In his zeal, however, he has assembled in this advertisement more misinformation than I thought it was possible for any one man to print on any one page of any newspaper. This appeal by him purports to be signed by 30 secretaries of pharmaceutical associations in 30 States.

Now, there are 10 of those associations which have no interest whatever in this bill. The associations for the States of West Virginia, Oregon, South Carolina, Mississippi, Alabama, Tennessee, Utah, North Carolina, Maine, and Idaho have no interest whatever in this subject, because you can not sell medicinal whisky in any one of those States. There are 46 States affiliated in this organization. Here are 10 of these secretaries whose names appear signed here who, if they knew anything about it, would know that they have no interest in it whatever; and there are secretaries of pharmaceutical associations in 20 of the States who do not sign. There are secretaries of pharmaceutical associations in at least 26 States that I know of, out of 46 affiliated with this organization, who do not approve and have never heard of this advertisement, and I doubt if any of them has ever heard of it. The president of the National Association of Retail Druggists, Mr. Samuel E. Davis, of Tennessee, signs this, and in Tennessee they can not sell medicinal liquor.

Mr. TREADWAY. Will the gentleman yield?

Mr. RAINEY. I will yield to the gentleman.

Mr. TREADWAY. Does the gentleman think that many of the gentlemen who signed that sheet of advertisement ever saw H. R. 17130?

Mr. RAINEY. I do not think any of them ever saw it.

Mr. TREADWAY. Or knew of its contents?

Mr. RAINEY. They could not have seen it. Now, I want to answer this advertisement—I am talking now for the committee and not for the galleries—and as I answer this advertisement I want you to open your bill, 17130, the bill we are considering.

The first paragraph of the advertisement charges that existing stocks of old whiskies are to be acquired at a price fixed by the corporation and that the price is to be unlimited. In connection with that paragraph, let me call attention to section 5, paragraph (a), on page 6 of your bill. We peg the price at the price of December 1 last.

The stocks of old whisky are to be acquired at a reasonable price, which is to be determined by boards and the elaborate machinery provided, but under this bill it can not exceed the price of December 1, 1926. Of course, whisky went up \$1 a case not long ago. It is selling for more now than it did on December 1, when Congress commenced its session, but they can not get any more than the price it sold for at that time, and the price it sold for at that time was \$26 a case, and there are 3 gallons in a case in bottles.

Now, he calls attention in the next paragraph, to the fact that a bill was sent down by the Treasury Department, which was defeated, permitting the control of the stock by bootleggers, and that this bill will enable the same proposition to prevail in this country. If the original bill permitted control by bootleggers—and that is what he said in the hearings—we so provide that this bill can not do it, because we limit the acquisition of the existing stock, as to manufacture and the replenishment of stock, to not less than two and not more than six distillers, and we control their selection by the Secretary of the Treasury. It is unthinkable to believe that a Secretary of the Treasury would permit bootleggers to engage in this business. It is unthinkable that the Secretary of the Treasury would give these valuable permits to violators of the law. [Applause.]

The next paragraph in this remarkable and misleading advertisement advising the public that under the existing law the Treasury Department can issue or deny permits to manufacture and distribute medicinal whisky. This is a part truth. Under existing law, permits can be issued to manufacture whisky but the permits under existing law can only run one year. Medicinal whisky must remain in the wood four years before it can be bottled for medicinal purposes. It is impossible to get a distiller to manufacture a crop of whisky this year for sale five years from now, and the bill we are considering in effect merely extends the time which can be covered by these permits, and this is in effect, the only change made in this particular. A distiller who receives a permit can therefore finance his enterprise and manufacture each year for sale five years from date of manufacture. It is a business proposition which makes possible replenishment for medicinal purposes, and this extension of the time to be covered by the permits is absolutely necessary.

The next paragraph calls attention to the fact that under existing law the standard of purity and quality of medicinal whisky is fixed by the standard in the United States Pharmacopoeia. The gentleman who framed this advertisement is absolutely right about it, and the bill we are considering does not repeal or modify in any way that provision of existing law, and is not intended to repeal or modify it. The penalties to which he calls attention in this paragraph are in no way altered or changed by the bill we are considering.

The next paragraph calls attention to the diversion of alcohol for unlawful purposes, and the diversion probably amounted to 27,000,000 gallons in 1925 as he states. We are not attempting in this bill to deal with the question of renatured denatured alcohol. The law regulating this stands just as it is. It may need amending later on in order to correct abuses. The bill we are considering now is a medicinal whisky act and nothing more, and does not attempt to remedy the unlawful diversion of industrial alcohol to which he refers in this paragraph.

The next paragraph in this advertisement asserts that the wholesale druggist is eliminated in the distribution of liquor. This statement is absolutely untrue. I call attention to section 6, paragraph B, of page 7 of the bill. The wholesale druggist can do business just as he does now. There is nothing to limit it except that the whisky he sells must be shipped direct from the concentration warehouse to the distributing retail druggist. The object of this bill is to eliminate the stealing of medicinal whisky in transit and the "cutting" of medicinal whisky, and it enables the retail druggist to avoid, if he desires to do so, the intermediate profit of the wholesaler. The retail druggist can order direct from a concentration warehouse if he desires to do so, and eliminate this profit in the interest of the consumer and in his own interest. This advertisement purports to be a

protest of retail druggists. I know of no reason why retail druggists should attempt to protect the profits of wholesale druggists.

The next paragraph is as misleading as any of the others. It charges that there is an attempt to show that the retailer is a profiteer. There is no such attempt. The bottles containing medicinal whisky will simply be labeled under the bill with the cost at the concentration warehouse tax paid. This is necessary in order to establish a fair selling price to the sick in the communities where medicinal liquor is sold. It enables the person who buys to know what the retail druggist paid for it at the concentration warehouse, and that is all. Retail druggists operating in the same community will have exactly the same overhead, their overhead consisting of express charges, rents, and so forth, and express charges will be the charges from the same concentration warehouse—the presumption is that they will buy from the nearest concentration warehouse.

The next paragraph contains a statement of alleged fact absolutely without any foundation. The bill in its restrictions to which I have before called attention compels the distribution of medicinal spirits at a less price than would prevail without the bill.

The next paragraph charges that the bill was drawn by the Treasury Department in consultation with preferred distillers. The bill was drafted by a subcommittee of the Ways and Means Committee of the House of Representatives. I served on that committee. I know how it was done. It is a committee bill. The administration did not draft it. Afterwards the administration admitted that the bill could be enforced and would accomplish the purposes the administration had in mind. The retail druggists were represented by Mr. Brokmeyer in the hearings we had, and he was given unlimited time and most courteous treatment. It is not being rushed through without a public hearing as stated in this paragraph.

I have now called attention to every paragraph in this remarkable advertisement. The statements in each of these paragraphs are entirely unsupported by the evidence, and the facts are just the reverse of the facts stated in this advertisement. I therefore can say that I have never before come in contact with so much misinformation assembled on any single page of a newspaper. I have not indulged in any characterizations of the gentleman who is responsible for this kind of a presentation. It would not add to my argument to do so. The National Association of Retail Druggists is a dignified organization of respectable business men in the United States. They have been grossly misrepresented in this advertisement.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BANKHEAD. Mr. Chairman, I yield myself five minutes.

The CHAIRMAN. The gentleman from Alabama [Mr. BANKHEAD] is recognized for five minutes.

Mr. BANKHEAD. Mr. Chairman and gentlemen of the committee: I realize the hour is growing very late and that you have probably heard practically everything that could be suggested with reference to the merits or demerits of this bill, although they have not all been discussed in detail.

I am opposed to this legislation and to this bill primarily because, not seeing the necessity for its present enactment, the next inquiry naturally arises: Why is it then pressed so vigorously for enactment under those circumstances. It has been admitted by those who have argued in favor of the bill that the Secretary of the Treasury and General Andrews have ample authority under existing law to concentrate all of these liquors in a few warehouses. That is one feature of this bill. If it is not necessary to enact additional legislation to effectuate the purpose they have in mind then why pass any legislation at all, particularly when it is susceptible to the suspicion, at least, that this bill carries?

It has been openly charged, and I do not think it will be denied, that there is a group of seven men who own at the present time 75 per cent of all of the available liquors in the United States, and under the terms of this bill, owing that preponderance of the available supply, they would be in a position practically to determine what price they would receive if it were purchased by the Treasury Department. It is said that there is a limitation in this bill in that it provides that only a fair and reasonable price can be charged.

But, gentlemen, that is a very elastic term, and from the standpoint of the protection of the ultimate, necessary consumers of this medicinal liquor, it throws the field wide open for them to be profited against. [Applause.] There is another thing in this bill that has not been mentioned which I think I should call to your attention. This bill not only confers upon the Secretary of the Treasury the right to select as small a number as two, if he sees fit to do so, as the number

that shall be licensed to manufacture liquor, but it provides that a permit may be issued for any period expiring not more than 10 years after December 31, 1927. This means, gentlemen of the committee, giving the Secretary of the Treasury the power to license only two distillers, if he exercises it in that way, and he would thereby give to two distillers in this country the absolute authority to manufacture all medicinal liquors and give them a permit for 10 years, which, in my opinion, would raise the question most seriously whether they would not thereby acquire a vested right under their contract with the Government giving them a monopoly for a period of 10 years from December 1, 1927.

Congress or the country in its wisdom—because this is a volatile question—may change its opinion on some of these questions of administration, but if you pass this bill, you are giving the authority to the Secretary of the Treasury to institute a situation of the very character I have described, and I am not willing to vote for such a proposition, along with other objections which I have to this bill.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. OLIVER of Alabama. It also insures a renewal at the expiration of 10 years unless they have violated some of the terms of the contract within the 10-year period.

Mr. BANKHEAD. Exactly; and thereby further extend the monopoly probably for a period of 20 years.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. BANKHEAD. I yield myself two minutes more, Mr. Chairman.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. HILL of Maryland. Subsection 2 of section 2 on page 2 says that each permit shall require manufacture according to formulas prescribed by the Secretary of the Treasury; does this mean there would be alcoholic medicines in the sense they are used there, or could not the Secretary of the Treasury prescribe anything he pleased?

Mr. BANKHEAD. Of course, that is carried out by the very terms of the bill itself.

Mr. HILL of Maryland. Then that could be done?

Mr. BANKHEAD. Gentlemen, there is another proposition involved. There is no limit in this bill as to the amount of liquor the Secretary can authorize to be made. It is left to his wide-open discretion. He could license two distillers to-morrow under this bill to go ahead and manufacture 50,000,000 gallons of liquor, and I ask any gentleman favoring this bill to think of that proposition. In addition to that, there is this opportunity, and this fair opportunity, to secure the necessary supplies of medicinal liquors. Under the present law and under the power contained in this bill on page 11, section 8, the Secretary of the Treasury is allowed to import such character of medicinal liquors and in such amount as may be reasonable and necessary to meet the medicinal necessities of the country. So that for this reason there is no necessity for the bill.

There are a number of other arguments that might be made against it, but I have not the time to discuss them. I shall oppose the passage of the bill. There are some amendments that may be offered that might help it.

I yield the balance of my time, Mr. Chairman, to the gentleman from New York [Mr. LaGUARDIA].

Mr. LaGUARDIA. Mr. Chairman, if there is one man on the floor of this House in support of this bill who can tell the House the potable or chemical difference between spirits for nonbeverage purposes or medicinal spirits and honest-to-goodness, everyday booze, I will vote for your bill.

Mr. GREEN of Iowa. What has that got to do with it?

Mr. LaGUARDIA. It has the whole thing to do with it.

Mr. GREEN of Iowa. That has not anything to do with the bill.

Mr. LaGUARDIA. Why all this hypocrisy? Coming here and asking us to replenish the quantity of whisky in this country and not having the courage to call it whisky, but coming here and calling it medicinal spirits, nonbeverage spirits. Let us be perfectly frank about this.

It was whisky that brought prohibition to this country, and I will fight whisky now as I have always fought whisky.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. LaGUARDIA. No; I asked the gentleman to yield to me, and he would not.

The gentleman from Georgia [Mr. CRISP], who talked in favor of this bill, made this startling statement, and it is true. He said but 5 per cent of the amount of liquor withdrawn for medicinal purposes is really used for that purpose, and the gentleman is right.



I will tell you what this is, gentlemen. The surplus contagion has hit the Treasury Department. They have heard so much about surplus from the Department of Agriculture that now the Treasury Department comes in and wants to buy up the surplus whisky. It is a wonder you have not provided an equalization fee to tax the bootleggers.

Mr. CHINDBLOM. Then the gentleman would vote for it. He did the other day. [Laughter.]

Mr. LAGUARDIA. I wish the gentleman would not interrupt me when I am talking about agriculture. [Laughter.]

I believe in being perfectly sincere about this matter. I want a change in the constitutional amendment, and I am fighting for that along proper legislative and constitutional lines.

But I refuse a palliative of this kind. This is a mere whisky bill. I do not see how any sincere dry can absolutely support this bill. If to-morrow the sale of whisky was lawful I would take a stand against it because it was whisky that brought in these intolerable conditions that we have to-day. Here you have a bill to replenish the quantity of whisky, and you have not got the courage to call it by its right name.

Gentlemen, the purpose of this bill is so clear that it is not necessary to talk about it. It is to put the control of whisky into a few hands and then in the event that there is a change in the law through constitutional amendment or otherwise within 10 years the permittees will continue to have an absolute monopoly.

Mr. HUDSON. There will be no change.

Mr. LAGUARDIA. Well, I will take my chance on that, but under the present situation I do not wish to support a bill of this kind. Every sincere dry and every sincere wet who does not seek to avoid the law, but to change it in the proper way, ought to vote against this bill.

Now, what does beverage in the Constitution mean? It says manufactured and transported for beverage purposes. It does not say "medicinal." That is an implication put in by the dries. What is a beverage? A beverage is anything to drink artificially prepared and with an agreeable flavor. That is the definition.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HAWLEY. Mr. Chairman, I yield the balance of my time to the gentleman from Iowa, the chairman of the committee.

The CHAIRMAN. The gentleman from Iowa is recognized for five minutes.

Mr. GREEN of Iowa. Mr. Chairman, there are two classes of Members who can consistently vote against this bill; one is represented by the gentlemen from New York [Mr. CAREW] and [Mr. LAGUARDIA], who says that the only remedy for the situation is the repeal of the Volstead Act and the eighteenth amendment. The other class is represented by gentlemen who do not believe in intoxicating liquor or whisky ever being sold or manufactured even for medicinal purposes. Such gentlemen can consistently vote against this bill. Otherwise I do not see how anyone else can, whether he is wet or dry.

Mr. SCHAFER. Will the gentleman yield?

Mr. GREEN of Iowa. No; I have only five minutes. It is true that at the request of the Treasury I introduced the bill brought before my committee. Every Member knows that I never supported that bill and did nothing more than to bring it forward at the request of the Treasury to be considered by the committee. I finally voted against it in preference to this bill here. I want to say that the subcommittee that prepared this bill has done one of the best jobs ever done in Congress by any committee.

Now let us see why the dries ought to vote for the bill. They tell you in the first place that the Secretary of the Treasury can now concentrate in six warehouses if he wants to and that that is all the bill proposes.

That is not all the bill proposes, and it is not all that the prohibition unit wants, and needs. The bill proposes not only to concentrate the liquor but that to have it bottled and have it put up in such shape that they can not get it out surreptitiously—so that it shall not be stolen in the manner that it is now being done. General Andrews wants to regulate its going out. Is there any dry in the House who is opposed to that? I do not think so.

Now, let us take the other matter, the granting of these permits. Some gentlemen have had the temerity to argue that the Secretary of the Treasury could now restrict the number of permits to manufacture. He can not according to the opinion of the Attorney General. We may differ here as to the law, but we can not well discuss it here, and the Attorney General has said that the law does not now permit it. Later on there will be an explanation with reference to the decision showing it has no application to this case.

Is there any dry in the House who does not want the number of these permits restricted, which the Secretary of the Treasury can not do? Who is he? Where is he?

Mr. SCHAFER. Right here.

Mr. GREEN of Iowa. The gentleman is a dry?

Mr. SCHAFER. Yes.

Mr. GREEN of Iowa. The gentleman is the kind of a dry I should expect to make exceptions. He is literally dry.

Mr. HILL of Maryland. Possibly the gentleman meant thirsty and not dry.

Mr. GREEN of Iowa. Exactly. The dries are supporting this provision, and it is an absolutely necessary feature if they are to enforce the law. Why should the wets support this bill? Because they believe in getting pure medicinal liquor at a reasonable price; and I shall show that it does even by the testimony of one of the wets, the gentleman from New York [Mr. LAGUARDIA]. He has just made that statement in his speech.

Mr. MacGREGOR. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. I can not yield. The whole question at this time is this: Do you want to support the man who by almost universal approval of the dries has been put in charge of the enforcement of the prohibition law? If so, you will vote for this bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired. All time has expired, and the Clerk will read.

Mr. BLANTON. Mr. Chairman, I suggest that it is now 20 minutes of 6 and we ought to stop.

Mr. HAWLEY. Mr. Chairman, I ask unanimous consent to address the committee for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HAWLEY. Mr. Chairman, it had been the intention to proceed with the consideration of this bill, but a number of gentlemen say that on account of this being Washington's Birthday they have made arrangements for dinner parties and other celebrations. We have the practical assurance of being recognized again for consideration of the bill on Thursday, so that after the reading of the first section I shall move to rise.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

*Be it enacted, etc.—*

That as used in this act—

(a) The term "person" means an individual, partnership, association, or corporation.

(b) The term "distilled spirits" means whisky, brandy, rum, gin, and other distilled spirits, except alcohol.

(c) The term "warehouse" means any bonded warehouse, including any general, special, distillery, concentration, or customs bonded warehouse and any tax-paid warehouse.

Mr. HILL of Maryland. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HILL of Maryland. At the conclusion of the reading of the section will it be in order to move to strike out the last word and have that amendment pending?

The CHAIRMAN. Amendments may be offered at the conclusion of the reading of the section.

Mr. GARNER of Texas. Mr. Chairman, would it not be in order, after the reading of the first section, to move to strike out the enacting clause?

The CHAIRMAN. The section has been completed. The Chair thinks it would be in order to move to strike out the enacting clause, providing the rule so provides.

Mr. BLANTON. That would be a preferential motion.

Mr. GARNER of Texas. I just want to reserve that motion.

Mr. HAWLEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MICHENER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 17130, and had come to no resolution thereon.

#### A LITTLE FARM BILL

Mr. EDWARDS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein a short editorial from the Savannah (Ga.) Morning News, on the Capper-Ketcham agricultural bill.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD by printing a short editorial on the subject of the Capper-Ketcham agricultural bill. Is there objection?

There was no objection.

Mr. EDWARDS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following from the Savannah Morning News of February 21, 1927:

#### A LITTLE FARM BILL

While Congress and politicians have been footbaling various bills for alleged farm relief, and while the big measures that have occupied time in the two Houses of Congress have shown themselves to be purely political bills for effect and not founded upon sound economic basis, there is one bill, a little fellow that might easily be lost in the shuffle, that is sound and safe and good. This bill had hearings beginning Wednesday of last week before the Senate Committee on Agriculture. It is the House bill known as the Capper-Ketcham agricultural extension bill. It provides for an appropriation of only \$10,000 to each State, that sum to be used in agricultural extension work for the next fiscal year, and used through the means of the State agricultural colleges in such work as is seen in the activities of the county agents, the home demonstration agents, the vast and varied extension work done directly for the farmers by the experts of the college. The bill provides for annual increases for the next few years.

The State of Georgia is mightily interested in the passage of this measure. Georgia is essentially an agricultural State. Just now of all times in her history the farmers are seeking all the help in demonstration and advice by specialists they can get. Diversification is in its crucial stage. Barriers once up are now razed and the work of the extension men is welcomed and even eagerly sought. The supply of this help is nothing like equal to the demand. The State receives, of course, funds for a part of this work from the Smith-Lever appropriations, but the State would receive, under the provisions of the Capper-Ketcham bill, more than from the Smith-Lever bill's provision. There are now nearly 30 counties begging for agents and there is no fund with which to support their work. With this additional financial aid from the Federal Government other lines of the extension service for the farmers could be strengthened. Last week in Atlanta leaders of agriculture from 16 Southern States went on record as earnestly urging the passage of this measure. If those who are interested in the farmers of the South just now will do a bit toward letting Congress know that the measure is needed and wanted it is likely to pass.

#### POSTAL RATE BILL

Mr. GRIEST. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 13446, the postal rate bill, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take from the Speaker's table the bill H. R. 13466, with Senate amendments thereto, disagree to the Senate amendments and ask for a conference. Is there objection?

Mr. GARNER of Texas. Mr. Speaker, reserving the right to object, I shall object unless the gentleman can make the regular statement. The gentleman knows the rule, or, if he does not, he ought to become acquainted with it, that he must say that he has conferred with the minority on his committee with reference to the matter.

Mr. GRIEST. What makes the gentleman think that I have not conferred with them?

Mr. GARNER of Texas. Because the gentleman has not said so.

Mr. GRIEST. I say so now. And I say also that I have always conferred with pleasure with the minority of my committee.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER appointed the following conferees: Mr. GRIEST, Mr. RAMSEYER, Mr. SANDERS of New York, Mr. BELL, and Mr. ROUSE.

#### WASHINGTON'S BIRTHDAY ADDRESS OF PRESIDENT COOLIDGE

Mr. TILSON. Mr. Speaker, I ask unanimous consent that the address delivered by the President to-day may be printed as a House document.

The SPEAKER. Is there objection?

There was no objection.

Mr. TILSON. Mr. Speaker, I also ask unanimous consent that the proceedings of the joint session may be printed in the RECORD of to-day.

The SPEAKER. The gentleman from Connecticut also asks unanimous consent that the proceedings of the joint session may be printed in the RECORD. Is there objection?

There was no objection.

#### EVENING SESSION, THURSDAY, FEBRUARY 24, 1927

Mr. TILSON. Mr. Speaker, I ask unanimous consent that on Thursday of this week it may be in order at any time not later

than 6 o'clock p. m. to take a recess until 8 o'clock in the evening, for the consideration of bills unobjected to on the Private Calendar.

The SPEAKER. Is there objection?

Mr. GARNER of Texas. Mr. Speaker, reserving the right to object, may I ask the gentleman a question? I am in sympathy with the idea of the consideration of the Private Calendar, but is he not going to give the Consent Calendar a chance to be called at an early date?

Mr. TILSON. The last six days of the session are by the rules suspension days.

Mr. GARNER of Texas. I know they are suspension days, but I am speaking of unanimous consent.

Mr. TILSON. They can be set apart any time we may see fit to agree to an order to make them unanimous consent days.

Mr. GARNER of Texas. If I recall there are 150 bills on the Consent Calendar. Now, I imagine there are at least 125 of those bills to which there will be no objection, and it does seem to me that those who are interested—I do not happen to have one—in those bills ought to have a chance, and the majority leader ought to provide for a chance for those bills to be in order, and where there is no objection pass them.

Mr. TILSON. I am thoroughly in accord with the gentleman from Texas and shall make every effort to bring that about. Let me add to my request for unanimous consent that we begin on the Private Calendar where we left off.

The SPEAKER. Let the Chair present the request. The gentleman from Connecticut asks unanimous consent that it shall be in order to recess not later than 6 o'clock Thursday afternoon to meet at 8 o'clock, when it will be in order to consider unobjected bills on the Private Calendar beginning with the star.

Mr. HILL of Maryland. Mr. Speaker, reserving the right to object—and I shall not—I would like to ask the floor leader if it is his intention to bring up to-morrow a continuation of the bill we have been discussing in relation to medicinal spirits?

Mr. TILSON. No; I think that appropriation bills ought to have the right of way.

Mr. HILL of Maryland. This bill will not come up?

Mr. TILSON. Not until after the deficiency bill.

Mr. GARNER of Texas. Will the gentleman yield? I have just been reminded by one of my colleagues that on next Thursday night we were notified that the Democrats were going to have a caucus.

Mr. TILSON. I thought it was Monday night.

Mr. GARNER of Texas. My impression is that it was Thursday; I beg the gentleman's pardon.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask the distinguished majority leader if he would not make that order for Friday night instead of Thursday night. The gentleman knows there are a few of us Members who have done a lot of hard work on the Private Calendar and we have to adjust our office affairs to be here that night, but if the gentleman can make it Friday night and give one more day so that we can arrange same, there would be no objection.

Mr. TILSON. I think those who are doing this work would be better satisfied with Thursday than with Friday.

Mr. BLANTON. As one of the few who have been doing this work on this Private Calendar, I would prefer Friday night.

Mr. TILSON. Well, then, some other gentlemen would be inconvenienced.

Mr. BLANTON. There are but about two Members of the majority and two or three of the minority who look after all these bills, and the gentleman ought to give some consideration to them.

Mr. TILSON. I have tried to fix a day that would be most convenient to most of the Members, and that was Thursday.

Mr. BLANTON. For the present I am going to object.

Mr. TILSON. The gentleman may defeat the purpose in mind, and, if so, I wish the responsibility to be placed where it belongs.

Mr. BLANTON. My colleague knows I work as hard as any Member here, and he ought to give some consideration to our business engagements already arranged, but I shall not stand in the way of having these private bills considered and passed on by the House.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut? [After a pause.] The Chair hears none.

Mr. SCHAFER. Regular order, Mr. Speaker.

The SPEAKER. The regular order is, Is there objection to the request of the gentleman from Connecticut?

There was no objection.



## THE TRUE GEORGE WASHINGTON

Mr. CELLER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address given by me over the radio February 21, 1927:

The good Lord left George Washington childless so that he might become the Father of his Country, but it is a wise country that knows its own father.

How well does our citizenry know George Washington? I am sure they know him merely as a hero of sugar-coated schoolbooks. The problem is first to rescue Washington from such stories as that of the "cherry tree." Parson Weems first invented this tale in his desire to make of Washington a sainted paragon of truth. Others followed with tales more ludicrous, until Washington has become a mere plaster saint; a demigod, instead of a truly great man, but one beset with human frailties. As a shrewd British historian, Philip Guedalla, now sojourning with us, observed in his "Fathers of the Revolution," "The Father of his Country has been deprived of his identity by his grateful children \* \* \* the very faultlessness of (his) singular career seemed to invite the worst that pious ingenuity could do for him. \* \* \* Misconceived panegyric has made him seem almost ridiculous."

He must be made of giant strength. Hence tales were invented of his great physical prowess. He threw a stone across the Rappahannock. The latter story was improved upon, and, instead of a stone, Washington threw a silver dollar across the river. Some mad wag said, "Of course, a dollar went further in those days."

There is no doubt of Washington's lofty character and his penchant for truthfulness; but how absurd to say "he never told a lie"; how still more absurd to teach our boys and girls that lie. Mark Twain facetiously said he was a greater man than Washington, for the latter "could not tell a lie," while he could but wouldn't.

Recent biographies have unduly set into relief his faults and failings; but to my mind they serve to strengthen him and make him more natural and reveal him as a man among men, influenced and limited by human passions, yet strong, sturdy, stalwart, who led his people in a successful rebellion and helped set up the United States of America.

He was a good husband and a good son. His mother, however, was a crochety old lady and a source of constant annoyance to him. She often complained of his treatment of her, although he gave her every comfort and supplied her every want. She sorely tried him with her unjust complaints, but her son was most patient and kind.

His 40 years of marriage with the rich widow, Martha Custis, brought him much conjugal happiness. I think, however, that young Washington, "ever land loving" and with a true sense of money's value, was greatly tempted to propose to her because of her rich Virginia holdings. She was the richest woman in Virginia. She had no deep influence upon his life. Not much is known of her, other than that she was "a pretty kind of woman, sociable, matronly, \* \* \* with perfect good breeding." Washington was always chivalrous and watchful of her welfare. He took on the management of the household when it got beyond her.

He even saved her much of the details of ordering her clothing. He writes his London agent, "Mrs. Washington sends home a green sack to get cleaned or fresh dyed of the same color; made up into a handsome sack again, would be her choice; but, if the cloth won't afford that, then to be thrown into a genteel nightgown."

He fathered her children as though they were his own. Little "Jack" and "Patsey"—one 4 and the other 6—were the apples of his eye. In the first invoice of goods to be shipped to him from London after he had become their step-father, Washington ordered "10 shillings' worth of toys, six little books for children beginning to read."

When at battle and away from her, he wrote her endearing epistles. When he left Mount Vernon in May, 1775, to attend the Continental Congress, he had not anticipated his appointment as commander in chief, and after his appointment he wrote Martha as follows:

"You may believe me, my dear, when I assure you in the most solemn manner, that so far from seeking this appointment, I have used every endeavor in my power to avoid it, not only from my unwillingness to part with you and the family, but from the consciousness of its being a trust too great for my capacity, and that I should enjoy more real happiness in one month with you at home than I have the most distinct prospect of finding abroad if my stay were to be seven times seven years. \* \* \* I shall feel no pain from the toll or danger of the campaign; my unhappiness will flow from uneasiness I know you will feel from being left alone."

When he was 22 he grew fond of Sally Fairfax, the wife of his best friend; but nothing yet produced indicates that their love ever grew into anything more than the platonic. I stress this in view of the insinuations to the contrary, lately revived. He may have desired Sally Fairfax, but he was honest enough with himself and her to know that any such liaison would be unthinkable. The episode clearly indicates that he was not immune from human emotions, but it also exemplifies a strength of character that fled from a love that must have alike allured and harassed him.

Washington was at times expedient and willing to sacrifice principle for immediate gain. I do not say this by way of captious criticism, but just to state the facts and to prove that he was not a plaster saint.

In 1757 he ran for the Virginia House of Burgesses. He had fought the tipping houses and flayed the drunken soldiers. He essayed to close up many drinking places. He was overwhelmingly defeated. Next time he changed his tactics. He took a page from the book of his opponent, and the following election he was successful. But he too, had "tickled" the voters and flooded the district with rum, punch, wine, and beer. Of course, he was using the known and recognized weapons of political warfare of that day.

But with what a glow and shining light he appears, when he takes a fling at nepotism. He had pulled himself up by his own bootstraps by sheer merit. He frowned upon relatives who sought office at his hands. They should also rise by merit. To his favorite nephew, who sought an appointment in the new Government, he wrote:

"However deserving you may be \* \* \* your standing at the bar would not justify my nomination of you as attorney to the Federal district court in preference to some of the older and most esteemed general court lawyers in your State, who are desirous of this appointment. My political conduct in nominations, even if I were influenced by principle, must be exceedingly circumspect and proof against just criticism; for the eyes of Argus are upon me, and no slip will pass unnoticed, that can be improved into a supposed partiality for friends or relatives." Words of Washington's example should be emblazoned upon the walls of every statehouse and city hall.

We are rarely, if ever, privileged to see any humor in Washington. This is because we see him crossing the Delaware, praying at Valley Forge, or in equestrian majestic pose in cold marble. We never dissociate him from these serious occasions. He, therefore, becomes synonymous with severe austerity. Yet we know that Washington "out of harness" was a man of some humor. He liked good wine, was fond of dancing and picnics, fishing, billiards, music, and the theater. He favored fine clothes, enjoyed riding to hounds, and was wont to gamble a bit.

Such a man were strange, indeed, if he did not enjoy a little frolic and banter. Considerable and unnecessary formalities were used at the first presidential levee in New York by Washington's master of ceremonies. The pomp was laid on pretty thick, and the occasion was made to appear a bit ridiculous. Not without humor, however, he said to his amateur chamberlain, "Well, you have taken me in once; but, by God, you shall not take me in a second time."

When the Democrats were charging the Federalists with having stolen from the Treasury, he wrote to a Cabinet official: "And pray, my good sir, what part of the \$800,000 has come to your share? As you are high in office, I hope you did not disgrace yourself in the acceptance of a paltry bribe—of \$100,000 perhaps."

He joked about his own death after Braddock's defeat and said he had heard an account of his own death and dying speech and takes this particular opportunity of contradicting the first and of giving the assurance that he did not, as yet, compose the latter.

It has often been asserted that Washington was a man without friends. This is slander of the worst sort. It is probably due to the fact that most historians have neglected his private life in the study of his public career. His life was enriched with sincere friendships. I like Washington all the more because of his intense loyalty to his friends. With him it was a religion. Phelps, in his Human Nature in the Bible, points out that selfish and calculating persons often do not understand the meaning of the word "loyalty," and it is not very often fully understood by men of pure intellect. There is something splendid about people who possess it. You remember the scene in Shakespeare, when the nobles are disputing Henry's claim to the throne, how refreshing then it is to hear that clear, strong voice of Clifford:

"King Henry, be thy title right or wrong,  
Lord Clifford vows to fight in thy defense."

Washington had such loyalty, almost to a fault. He was Clifford to all his friends. Witness his loyalty to the members of the Fairfax family, whose lord had originally engaged him as surveyor. In the name of that friendship and at the risk of his own reputation he saved several of the Fairfax family, who had become Loyalists and Tories, from serious persecution and confiscation of property. Benjamin Harrison, Patrick Henry, Generals Greene and Knox were always dear to him. Hamilton was probably his closest friend, and he spoke of him always as "my boy." There was the strongest devotion and love between Lafayette and Washington, and at one of the leave takings at Mount Vernon Lafayette said:

"Everything that admiration, respect, gratitude, friendship, and filial love can inspire, is combined in my affectionate heart to devote me most tenderly to you. In your friendship I find a delight which words can not express."

"Light Horse Harry" Lee was one of the young officers on Washington's staff. The first liking that Washington had for him grew into a life-long friendship. Lee was in Congress when the death of Wash-

ington was announced, and it was he who coined the famous "First in war, first in peace, and first in the hearts of his countrymen."

He was modest and often lost his tongue in public speeches. Many great men are not gifted orators. Moses was so poor a speaker that he had to have Aaron as his mouthpiece. Benjamin Franklin, Thomas Jefferson, and Grover Cleveland were great statesmen, but like Washington had no forensic ability. At Washington's inauguration as President, Senator Maclay noted that "this great man was agitated and embarrassed more than ever he was by the leveled cannon or pointed musket."

Although not a pious man or a regular churchgoer, he was God-fearing. Above all, he respected the religious views of others. In 1775, when the New England troops intended to celebrate Guy Fawkes day as usual, the general orders issued by him expressed surprise at "the observance of that ridiculous and childish custom of burning the effigy of the Pope," and deplored the lack of common sense of some officers and soldiers who failed to see "the impropriety of such a step." His many examples of religious tolerance might well be emulated in certain benighted parts of our country.

In conclusion, let us reaffirm, on the morrow, his birthday, our admiration for Washington, hero and man, who physically, mentally, and spiritually represents the genius of the American people. But let us always remember what he himself observed, "That I have foibles, and perhaps many of them, I shall not deny. I should esteem myself, as the world would, vain and empty were I to arrogate perfection." But despite those foibles we have a remarkable man; a military genius, greater, perhaps, in his deft withdrawals and retreats than in his victories; a more stubborn defender than aggressive contender, who conquered rather by strength of character than force of arms, and who was statesman enough after the battle to turn the sword into a plowshare and lead his country as honorably in peace as in war.

#### ENROLLED BILLS PRESENTED TO THE PRESIDENT

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States, for his approval, the following bills:

H. R. 5823. An act to amend the Code of Law for the District of Columbia in relation to the qualifications of jurors;

H. R. 9916. An act to revise the boundary of the Grand Canyon National Park, in the State of Arizona, and for other purposes;

H. R. 9971. An act for the regulation of radio communications, and for other purposes;

H. R. 15414. An act to authorize the United States Veterans' Bureau to accept a title to lands required for a hospital site in Rapides Parish, La.;

H. R. 16576. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1928, and for other purposes; and

H. R. 16863. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1928, and for other purposes.

#### HOUSE ENROLLED BILL SIGNED

Mr. CAMPBELL, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled House bill of the following title, when the Speaker signed the same:

H. R. 10485. An act for the relief of William C. Harlee.

#### ADJOURNMENT

Mr. HAWLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p. m.) the House adjourned until to-morrow, Wednesday, February 23, 1927, at 12 o'clock noon.

#### COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Wednesday, February 23, 1927, as reported to the floor leader by clerks of the several committees:

##### COMMITTEE ON APPROPRIATIONS

(10.30 a. m.)

Public buildings bill.

##### COMMITTEE ON BANKING AND CURRENCY

(10.30 a. m.)

To amend the Federal farm loan act (H. R. 15540).

##### COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.30 a. m.)

To provide for the deportation of certain alien seamen, and for other purposes (S. 3574).

##### COMMITTEE ON THE JUDICIARY

(10.30 a. m.)

Providing for the investigation of Judge Frank Cooper, of the northern district of New York (H. Res. 398 and 400).

##### COMMITTEE ON WAR CLAIMS

(3 p. m.)

For the relief of Maude A. Sanger (H. R. 13193).

##### COMMITTEE ON WAYS AND MEANS

(10.30 a. m.)

To consider the salaries of employees in the customs service.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WOOD: Committee on Appropriations. H. R. 17291. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1927, and June 30, 1928, and for other purposes; without amendment (Rept. No. 2188). Referred to the Committee of the Whole House on the state of the Union.

Mr. VESTAL: Committee on Patents. H. R. 13486. A bill to protect trade-marks used in commerce, to authorize the registration of such trade-marks, and for other purposes; without amendment (Rept. No. 2203). Referred to the Committee of the Whole House on the state of the Union.

Mr. DYER: Committee on the Judiciary. H. R. 16022. A bill to increase the salaries of the assistant to the Attorney General and the Assistant Attorneys General; with amendment (Rept. No. 2204). Referred to the Committee of the Whole House on the state of the Union.

Mr. LUCE: Committee on the Library. H. R. 17024. A bill authorizing the appropriation of \$2,500 for the erection of a tablet or marker at Medicine Lodge, Kans., to commemorate the holding of the Indian peace council, at which treaties were made with the Plains Indians in October, 1867; with amendment (Rept. No. 2205). Referred to the Committee of the Whole House on the state of the Union.

Mr. WAINWRIGHT: Committee on Military Affairs. H. R. 17182. A bill authorizing construction of barracks at Fort Jay, Governors Island, N. Y.; without amendment (Rept. No. 2206). Referred to the Committee of the Whole House on the state of the Union.

Mr. DYER: Committee on the Judiciary. H. R. 16256. A bill to amend section 215 of the Criminal Code; without amendment (Rept. No. 2207). Referred to the House Calendar.

Mr. TILLMAN: Committee on the Judiciary. H. R. 17038. A bill to amend section 71 of the Judicial Code, as amended; with amendment (Rept. No. 2208). Referred to the House Calendar.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. UNDERHILL: Committee on Claims. H. R. 7168. A bill for the relief of the owner of the schooner *Sentinel*; with amendment (Rept. No. 2190). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 15305. A bill for the relief of Ben Wagner; with amendment (Rept. No. 2191). Referred to the Committee of the Whole House.

Mr. UNDERHILL: Committee on Claims. H. R. 16482. A bill for the relief of Pocahontas Fuel Co. (Inc.); with amendment (Rept. No. 2192). Referred to the Committee of the Whole House.

Mr. McSWAIN: Committee on Military Affairs. S. 2279. An act for the relief of James C. Baskin; without amendment (Rept. No. 2193). Referred to the Committee of the Whole House.

Mr. JOHNSON of Indiana: Committee on Military Affairs. H. R. 1386. A bill for the relief of Purdy Trager; with amendment (Rept. No. 2194). Referred to the Committee of the Whole House.

Mr. JOHNSON of Indiana: Committee on Military Affairs. H. R. 13090. A bill authorizing the President to reappoint John P. Pence, formerly an officer in the Signal Corps, United States Army, an officer in the Signal Corps, United States Army; without amendment (Rept. No. 2195). Referred to the Committee of the Whole House.



Mr. WRIGHT: Committee on Military Affairs. H. R. 14955. A bill for the relief of William Earhart; without amendment (Rept. No. 2196). Referred to the Committee of the Whole House.

Mr. FURLOW: Committee on Military Affairs. H. R. 15274. A bill for the relief of William Morin; without amendment (Rept. No. 2197). Referred to the Committee of the Whole House.

Mr. FURLOW: Committee on Military Affairs. H. R. 15357. A bill authorizing the President to order Richard B. Barnitz before a retiring board for a hearing of his case and upon the findings of such board to determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation; without amendment (Rept. No. 2198). Referred to the Committee of the Whole House.

Mr. FURLOW: Committee on Military Affairs. H. R. 16091. A bill to correct the military record of Charles B. Holmes; without amendment (Rept. No. 2199). Referred to the Committee of the Whole House.

Mr. WHEELER: Committee on Military Affairs. H. R. 16658. A bill to amend the military record of Robert Zink; with amendment (Rept. No. 2200). Referred to the Committee of the Whole House.

Mr. QUIN: Committee on Military Affairs. H. R. 16897. A bill for the relief of William G. Beaty, deceased; without amendment (Rept. No. 2201). Referred to the Committee of the Whole House.

Mr. TUCKER: Committee on the Judiciary. H. R. 17108. A bill giving jurisdiction to the Court of Claims to hear and determine the claim of the Butler Lumber Co (Inc.); without amendment (Rept. No. 2202). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WOOD: A bill (H. R. 17291) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1927, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1927, and June 30, 1928, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. BURTNESS: A bill (H. R. 17292) granting the consent of Congress to the States of North Dakota and Minnesota to construct, maintain, and operate a bridge across the Red River of the North; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYDEN: A bill (H. R. 17293) granting a part of the Federal building site at Phoenix, Ariz., to the city of Phoenix for street purposes; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 17294) granting certain lands within the Papago Saguaro National Monument in Arizona to the State of Arizona and the town of Tempe, Ariz., for park and other purposes; to the Committee on the Public Lands.

By Mr. WOLVERTON: A bill (H. R. 17295) granting the authority of Congress to the Kanawha Falls Bridge Co. (Inc.), to construct a bridge across the Kanawha River at Kanawha Falls, Fayette County, W. Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. GRAHAM: A bill (H. R. 17296) establishing a division of identification under the jurisdiction of the Bureau of Investigation of the Department of Justice; to the Committee on the Judiciary.

By Mr. WILSON of Louisiana: A bill (H. R. 17297) granting the consent of Congress to the Fisher Lumber Corporation to construct, maintain, and operate a railroad bridge across the Tensas River in Louisiana; to the Committee on Interstate and Foreign Commerce.

By Mr. SNELL: A bill (H. R. 17298) granting the consent of Congress to the States of New York and Vermont to construct, maintain, and operate a free highway bridge across Lake Champlain; to the Committee on Interstate and Foreign Commerce.

By Mr. HAUGEN: Resolution (H. Res. 434) to provide for the consideration of the bill H. R. 16350, entitled "A bill to provide for the collection and publication of statistics of tobacco by the Department of Agriculture; to the Committee on Rules.

By Mr. MOORE of Virginia: Resolution (H. Res. 435) relative to affairs in Nicaragua; to the Committee on Foreign Affairs.

#### MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Texas, regarding the agricultural condition, and urging legislation for its regulation; to the Committee on Agriculture.

Memorial of the Legislature of the State of Oregon, urging the providing of available funds for the construction of a storage reservoir at Benham Falls, in Deschutes County, on the Deschutes River; to the Committee on Irrigation and Reclamation.

Memorial of the Legislature of the State of Colorado, concerning the retirement of disabled emergency officers of the World War; to the Committee on World War Veterans' Legislation.

By Mr. O'CONNELL of New York: Memorial of the Legislature of the State of Oregon, favoring the passage of the Sinnott-McNary bill for the construction of a storage reservoir at Benham Falls, Ore.; to the Committee on Irrigation and Reclamation.

By Mr. SINNOTT: Memorial of the Legislature of the State of Oregon, urging enactment by Congress of legislation providing for the designation of the Deschutes project, Oregon, as a Federal reclamation project; to the Committee on Irrigation and Reclamation.

Also, memorial of the Legislature of the State of Oregon, in regard to Tongue Point naval legislation; to the Committee on Naval Affairs.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRUMPACKER: A bill (H. R. 17299) granting a pension to Eliza D. Welsh; to the Committee on Invalid Pensions.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 17300) for the relief of Robert Michael White; to the Committee on Public Buildings and Grounds.

By Mr. SNELL: A bill (H. R. 17301) granting an increase of pension to Mary Rock; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 17302) granting a pension to Elizabeth Fry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 17303) granting an increase of pension to Katy Neale; to the Committee on Invalid Pensions.

By Mr. VINCENT of Michigan: A bill (H. R. 17304) granting a pension to Warren Campbell; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7259. By Mr. BECK: Petitions of voters of LaCrosse, Wis., urging Congress to pass Civil War veterans' pension legislation; also, of voters of Adams County, Wis., urging the passage of Civil War veterans' legislation; to the Committee on Invalid Pensions.

7260. By Mr. BRIGHAM: Petition of Roy De P. Haas and other citizens of Wolcott, Vt., favoring the passage of legislation for the relief of Civil War soldiers and widows of soldiers; to the Committee on Invalid Pensions.

7261. By Mr. BURTNESS: Petition of 28 members of Jerry Rusk Relief Corps and citizens of Towner, N. Dak., urging passage of legislation providing increase of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7262. Also, petition of 93 members of Abraham Lincoln Relief Corps and citizens of Minot, N. Dak., urging passage of legislation providing increase of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7263. Also, petition of 130 residents of Towner County, N. Dak., urging passage of legislation providing increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7264. By Mr. CELLER: Petition of the Quentin Roosevelt Chapter, No. 5, of Los Angeles, of the Disabled American Veterans of the World War, favoring the passage of House bill 4548; to the Committee on World War Veterans' Legislation.

7265. By Mr. COOPER of Ohio: Petition of Sarah J. McAleer and other citizens of Warren, Ohio, urging increase of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7266. Also, petition of A. A. Beebe and other citizens of Trumbull County, Ohio, favoring increases of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7267. Also, petition of Mrs. Lucinda Burns and other residents of Trumbull County, Ohio, favoring increases of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7268. Also, petition of Mrs. Addie Pruden and other citizens of Geneva, Ohio, favoring increases of pension for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7269. By Mr. DRIVER: Petition signed by citizens of Clay County, Ark., urging the Congress to pass legislation granting additional relief to our Civil War veterans, widows, and dependents; to the Committee on Invalid Pensions.

7270. By Mr. DOWELL: Petition of citizens of Des Moines, Polk County, Iowa, urging enactment of legislation increasing pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7271. By Mr. EVANS: Petition of citizens of Victor, Mont., urging prompt action on the legislation granting increase in pensions of Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7272. By Mr. ROY G. FITZGERALD: Petition of 33 voters of Butler County, Ohio, praying for the passage of a bill to increase the pensions of Civil War veterans, widows, and dependents; to the Committee on Invalid Pensions.

7273. Also, petition of the American Legion of Fabens, Tex., urging immediate vote on House bill 4548, for the retirement of disabled emergency officers of the World War; to the Committee on World War Veterans' Legislation.

7274. By Mr. GALLIVAN: Petition of Lewis-Mears Co., Boston, Mass., recommending early and favorable consideration of the Johnson-Swing bill, providing for the improvement of the Imperial Valley; to the Committee on Irrigation and Reclamation.

7275. By Mr. GREEN of Florida: Petition of H. S. Simmons and other veterans of the War between the States, urging the passage of the National Tribune's pension bill; to the Committee on Invalid Pensions.

7276. By Mr. HERSEY: Petition of Eddie E. Beaulieu and 10 other residents of Caribou, Me., urging passage of National Tribune Civil War pension bill; to the Committee on Invalid Pensions.

7277. By Mr. HUDSPETH: Petition of the Legislature of the State of Texas, urging passage of House bill 4548, for the retirement of disabled emergency officers; to the Committee on World War Veterans' Legislation.

7278. Also, petition of the American Legion, urging passage of House bill 4548, for retirement of disabled emergency officers of the World War; to the Committee on World War Veterans' Legislation.

7279. By Mr. LINTHICUM: Petition of J. Engel & Co., Baltimore, favoring House bill 16545; to the Committee on Interstate and Foreign Commerce.

7280. Also, petition of the Izaak Walton League of Baltimore, favoring the Hawes-Hull bill; to the Committee on the Merchant Marine and Fisheries.

7281. Also, petition of Independent Citizens Union of Maryland, protesting against the Reed bill; to the Committee on Immigration and Naturalization.

7282. Also, petition of McCormick & Co., H. M. Rowe Co., and the Arnold Co., all of Baltimore, Md., protesting against House bill 13446; to the Committee on the Post Office and Post Roads.

7283. By Mr. McLAUGHLIN of Michigan: Petition signed by citizens of Nessen City, Mich., favoring the passage of further legislation providing increases in pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7284. By Mr. MAJOR: Petition of citizens of Humansville, Mo., urging passage of Civil War pension bill, providing increases of pensions for veterans and widows of veterans; to the Committee on Invalid Pensions.

7285. By Mr. MANLOVE: Petition of Mrs. J. B. Willard, Mrs. F. C. Kick, Mr. C. L. Braden, and 20 other residents of Vernon County, Mo., urging Congress not to pass the Sunday bill; to the Committee on the District of Columbia.

7286. Also, petition of L. W. Terry, H. Tarr, L. M. Wilson, and 12 other citizens of Vernon County, Mo., urging Congress not to pass the Sunday bill; to the Committee on the District of Columbia.

7287. By Mr. MILLER: Petition of citizens of Seattle, Wash., for legislation increasing pension of Civil War veterans and removal of limitation on date of marriage of Civil War widows; to the Committee on Invalid Pensions.

7288. By Mr. O'CONNELL of New York: Petition of G. A. Pfeiffer, president of the Richard Hudnut Co., favoring the passage of the Swing-Johnson bill; to the Committee on Irrigation and Reclamation.

7289. Also, petition of the Brooklyn Chamber of Commerce, Brooklyn, N. Y., favoring the passage of House bill 16435, amending the act of February 28, 1925, reclassifying the sal-

aries of postmasters; to the Committee on the Post Office and Post Roads.

7290. Also, petition of William H. Kobbe, of New York City, favoring the Fitzgerald bill (H. R. 4548); to the Committee on World War Veterans' Legislation.

7291. Also, petition of A. J. Homeyer, Springfield Gardens, Long Island, N. Y., favoring the passage of House Joint Resolution 325; to the Committee on the Judiciary.

7292. By Mr. REID of Illinois: Petitions of numerous citizens of Elgin and Aurora, Ill., urging Civil War pension legislation; to the Committee on Invalid Pensions.

7293. By Mr. ROWBOTTOM: Petition of Mrs. R. A. Fairchild and others of Evansville, Ind., that the bill increasing pensions of Civil War widows be enacted into law at this session of Congress; to the Committee on Invalid Pensions.

7294. By Mr. SINNOTT: Petition of certain citizens of Baker County, Oreg., asking for further increase of pensions for veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7295. Also, petition of citizens of Baker County, Oreg., asking for further increase of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7296. By Mr. SWING: Petition of certain residents of Santa Ana, Calif., urging the passage by Congress of legislation granting increased pensions to Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

7297. Also, petition of certain residents of Redlands, Calif., urging the passage by Congress of legislation granting increased pensions to Civil War veterans and the widows of Civil War veterans; to the Committee on Invalid Pensions.

7298. By Mr. TILLMAN: Petition of J. H. Smith and others, of Springdale, Ark., against Senate bill 4821 and similar bills; to the Committee on the District of Columbia.

7299. Also, petition of D. M. Twiggs and many other citizens of Gentry, in the third congressional district of Arkansas, against House bill 10311 and similar bills; to the Committee on the District of Columbia.

7300. Also, petition of Mary E. Chamberlain and many other citizens of the third congressional district of Arkansas, asking for speedy legislation for pensions and increase of pensions for Civil War veterans and widows of veterans; to the Committee on Invalid Pensions.

7301. Also, petition of J. P. Reed and others, of Decatur, Ark., against Senate bill 4821; to the Committee on the District of Columbia.

7302. By Mr. VINCENT of Michigan: Petition of residents of the eighth congressional district of Michigan, urging immediate legislation for increases in pensions of veterans of the Civil War and widows of veterans; to the Committee on Invalid Pensions.

7303. By Mr. WATSON: Resolutions passed by members of the Eastern District Conference of the Mennonite Church of North America, in opposition to modification of the eighteenth amendment or the Volstead Act; to the Committee on the Judiciary.

7304. By Mr. WINTER: Petition of the voters of Greybull, Wyo., urging the passage of Civil War veterans' pension legislation; to the Committee on Invalid Pensions.

## SENATE

WEDNESDAY, February 23, 1927

(Continuation of proceedings of legislative day of Tuesday, February 22, 1927, after a quorum had been obtained at 2 o'clock and 30 minutes a. m. on Wednesday, February 23, 1927)

The Senate had under consideration, as in Committee of the Whole, the bill (S. 3331) to provide for the protection and development of the lower Colorado River Basin.

Mr. ASHURST. Mr. President—  
The PRESIDENT pro tempore. The Senator from Arizona.  
Mr. JOHNSON. Mr. President, a point of order.  
The PRESIDENT pro tempore. The Senator from California will state it.

Mr. JOHNSON. The Senator from Arizona is out of order, in that he has twice spoken upon the question in debate upon the same day.

Mr. ASHURST. Mr. President, I am willing to let the RECORD speak for itself. During the course of my remarks I was interrupted by the Senator from California, the Senator from New York, and the Senator from Wyoming; and I took particular pains to say, when interrupted, that I could not